Look Beyond

Look Beyond

Information Services Corporation

2006 annual report

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Letter of Transmittal

Regina, Saskatchewan
March 31, 2007

To His Honour
The Honourable Dr. Gordon L. Barnhart
Lieutenant Governor of the Province of Saskatchewan

May it please Your Honour:

I respectfully submit the Annual Report of Information Services Corporation of Saskatchewan for the year ended December 31, 2006, in accordance with *The Crown Corporations Act, 1993*. The financial statements are in the form approved by the Treasury Board, and duly certified by auditors for the Corporation.

Eric Cline, Q.C.
Minister Responsible for Information Services Corporation of Saskatchewan

Message from the President

The year 2006 was about strengthening our business foundation by working on our relationship with our customers, employees, Union, partners and stakeholders. This foundation will allow our Corporation to embark on an exciting journey, to look beyond and reinvent itself.

Looking back on 2006, I am pleased at what we've been able to accomplish. In order for us to climb to the next plateau, it is important that we take time to celebrate our successes and how far we've come as a Corporation.

ISC continued to make strides in collaboration and interaction with our customers. 2006 saw continued effort towards streamlining and improving processes and increasing the trust and confidence of our customers and stakeholders. We remain customer-focused as we continue to set aggressive targets in all our service areas. I'm proud to report that the majority of LAND transactions were completed within 2.5 days in 2006 and we launched the new Saskatchewan Personal Property Registry (SPPR) in February, resulting in a world-class personal property registry system. Our customers were delighted, proven by close to 100 per cent online usage of our system, and ISC is only too happy to maintain its forward-thinking focus by taking the Land Registry to the next level.

One significant accomplishment of 2006 was the reinvention of ISC's vision and values. The new vision and values reflect our focus on integrity, customers, leadership, business excellence and innovation, and encourages all employees to make a difference at work and in their communities. These new tenets provided the focus for much of 2006. In August, we achieved the National Quality Institute (NQI) Level II. This required the efforts of our entire Corporation including a few select champions; an effort that we truly feel was worth it. In keeping with our focus on excellence, we created a Business Excellence business unit and the position, Manager, Business Excellence, in order to keep us on the path of excellence and moving ISC from good to great.

The Corporation is clearly at a new point in its evolution. Our service levels have never been better, our relationship with our customers has never been better, our business model is much more solid, and we are committed to "winning the people game" – the challenge that every organization is facing or will be facing. We realize that in order for us to continue to enjoy the success we have recently achieved, we will need to continually reinvent our Corporation. We want to improve our relationships with our customers, improve our service levels and value for money of our customers, and maximize the return on the valuable skills and knowledge we have inside the Corporation with the bright minds and enthusiasm that we are bringing into the Corporation.

To that end, we hired a Chief Operating Officer, as well as a number of new leaders into key positions in the Corporation. These individuals have already added great value to ISC and will help us in the future as the Corporation reinvents itself.

This past year also saw the creation of an innovative group called the Youth Task Force and ISC is working to move the Corporation into the lead position of youth and diversity initiatives, including the attraction and retention of the best and brightest youth and people of Aboriginal ancestry in our province and beyond. This is just one way that ISC is winning at the people game.

In order for ISC to move forward, we are going to need vision, imagination, creativity, and a willingness to try new things. In September, we completed the "space project" in which our facility at 1301 1st Avenue in Regina received an innovative facelift. The current facility is a significant improvement over the previous one and is now a showpiece for the organization. Its efficient, ergonomic design provides a great work atmosphere while incorporating the security measures that customers have come to expect.

This past year marked the 120th anniversary of the Land Registry. It is clear that ISC has done a good job of bridging tradition and history with modern innovation. Our evolution as a Corporation in 2006 was a strong reflection of the growth, quality, and enthusiasm that characterizes ISC. However, we won't stand still; we will continue to search for opportunities to be innovative and grow the organization in order to maximize potential both within the organization and with customers.

At this exciting time, it is imperative that everyone is focused on a common vision. Our Board of Directors shares ISC's vision for the future and is fully supportive of the path we're on. To our Board, thank you for your continued support, leadership and guidance. I would also like to thank the management team for their hard work and accomplishments in 2006. We have excellent leadership within the organization that helps lay the groundwork for ISC's current success and bright future.

I extend many thanks to all our customers, staff, Union, partners and stakeholders. Your continued trust and confidence lies at the heart of ISC. Thank you for growing with us over the years and we invite you to walk with us on our exciting journey, and join us as we look beyond.

Mark MacLeod
President and Chief Executive Officer
Information Services Corporation of Saskatchewan

Message from the Board Chair

In a year where ISC celebrated an important historical milestone – the 120th anniversary of the Land Registry – we also celebrated significant new achievements that have positioned ISC for future innovation and success. We're proud of the strides we've made in the delivery of services and built on the accomplishments of the previous two years by posting strong earnings of $8.7 million net income in 2006. It's an exciting time for the Corporation, and we look forward to the challenges and opportunities ahead.

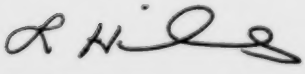
Our focus is "making a difference" in the lives of Saskatchewan people. We do that in many ways, but primarily through building on our strengths in the delivery of registry and land management services. Our goal is always to meet the expanding desires of our customers. To accomplish that, much time and effort is spent developing relationships and anticipating customer needs. We're proud to report that our effort is making a difference. In 2006, ISC's Customer Survey found that the Corporation's service levels exceeded customer expectations.

While this result is encouraging, we're not resting on our laurels and customer engagement will continue to be a priority in 2007. In order to move forward and look beyond, it's important to continually search for ways to improve upon our existing services, anticipate emerging business risks and challenges, and promote efficiency within the organization.

Our experience in Land Registry, Geomatics and the Saskatchewan Personal Property Registry (SPPR) has set a solid foundation for future growth. It's by leveraging our current products and services that ISC will establish new revenue sources and achieve our growth goals. In 2007, ISC will work on identifying new opportunities to deliver our products to the people of Saskatchewan.

Of course ISC's success, present and future, rests in the hands of our exceptional employees. Our development depends on enthusiastic, energized and engaged employees, and we'll continue to build an environment that attracts and retains the best and brightest. On behalf of my Board colleagues, I'd like to thank ISC President and CEO Mark MacLeod, his executive team and all ISC employees for their hard work and rising to the daily challenges that innovation and reinvention bring. I also thank the Minister Responsible for ISC, the Honourable Eric Cline, Q.C., and the members of the ISC Board of Directors for their dedicated leadership and vision.

ISC has demonstrated through the success of the past three years that we deliver on our promises. However, we will not be complacent; we are committed to our vision and the pursuit of excellence in all that we do. Our organization is capable of more – a strong foundation has been laid. It is now time to build upon it and grow. All signs point to another successful year in 2007. If we "look beyond" 2007, it is clear that there is a bright future for ISC.



Larry Hiles
Chairman of the Board
Information Services Corporation of Saskatchewan

Management's Discussion and Analysis

Introduction

This Management's Discussion and Analysis highlights the primary factors that have an impact on operations and the financial results of Information Services Corporation (ISC) for the year ended December 31, 2006 and should be read in conjunction with the audited financial statements and accompanying notes. It provides management's perspective of the Corporation for the previous twelve months.

In an effort to meet governance best practices, our 2006 Annual Report follows the Canadian Comprehensive Auditing Foundation (CCAF) Public Performance Reporting Principles as described in the Office of the Provincial Auditor's Guide to CCAF Principles of Performance Reporting.

This discussion also contains forward-looking statements based on the Corporation's estimates and assumptions concerning future results and events. Due to the risks and uncertainties inherent in any forecasted outlook, the actual results of the Corporation could differ materially from those anticipated.

Strategic Focus

By all accounts, 2006 was another successful year for ISC. The Corporation continued to see increased customer satisfaction combined with further improved service levels, strong financial performance and a sustained focus on business excellence. ISC is clearly positioned to capitalize on its strong work to date and tackle new and exciting challenges.

In 2006, ISC unveiled a new corporate vision. Developed by a diverse group of ISC employees brought together from around the province, the Vision Team proactively engaged ISC employees in the visioning process; encouraging each person to provide input and suggestions. Working collaboratively, the team developed the new corporate vision, and reworked the mission and values in time to be unveiled at the Employee Conference in October. The new vision builds upon already established strategic plans, goals and objectives and provides the organization with a new sense of direction and purpose.

> *We will be the leader in business excellence in all that we do. Our success will be driven by our people's passion and their spirit for innovation. Together, we will build prosperity in our communities, our province, and our country.*
>
> *ISC: Making a Difference*

As the Corporation matures, it is indeed focusing on making a difference in all that it does. It is the intent of ISC to become a leader in all that it does.

The ISC Youth Task Force is an initiative that brings the emerging workforce into the Corporation and engages them in a manner that introduces new ways of doing business at ISC. This group is already making a difference, helping to attract more youth into the Corporation, and promoting more innovation into our already innovative core.

The Youth Task Force is one component of ISC's commitment to "winning the people game" – a commitment that embraces experience, youth, diversity and leadership in all areas of our Corporation.

The Corporation is also institutionalizing its commitment to excellence in all that it does. This commitment, which adheres to NQI's progressive excellence program, extends to service, people, governance, organizational excellence, leadership and planning.

The NQI Level II achievement combined with the use of some innovative practices is part of the reason that the Corporation's service levels continue to improve, and one of the reasons that the capability and capacity to deliver new services exists in the Corporation.

The focus on customers has also introduced the opportunity to provide new services to existing customers. The Corporation has segmented its customer base with an increased focus on the oil and gas industry. This focus, in addition to investments over past years in upgrading infrastructure (of particular importance to this industry), our eight field office locations and maintaining the confidence of the remainder of customers, bodes well for ISC's future opportunities.

ISC is at a critical stage of its development. It is now in a position to take advantage of the substantial investments made in ISC by its people, customers, shareholders and the people of Saskatchewan.

Corporate Strategic Goals and Objectives

Achievements by 2009

Growth

- Produce 25 per cent of revenue from new products and services.

Return on Investment

- Produce $14.5 million in dividends.

Organizational Excellence

- Achieve and sustain Level 4 of the NQI Progressive Excellence Framework.
- Achieve customer satisfaction relative to the quality of products and services provided by ISC.

Outstanding People Practices

- Achieve NQI Healthy Workplace standards.
- Achieve youth and diversity targets.

Trust and Confidence of Customers, Public and Shareholder

- Achieve a top 10 per cent trust and confidence rating.
- Achieve customer satisfaction levels exceeding 90 per cent.
- Achieve reduction of residual risk.

Growth

Revenue growth, through the creation of new services and expansion of the customer base, is essential to achieving financial goals. In 2005, ISC developed an organizational growth strategy with a goal to increase revenues by 25 per cent through new products and services by 2009.

In order to grow the Corporation, ISC must:

- Ensure present day customers are satisfied with existing services and continue to optimize the delivery of services to those customers;
- Pursue growth within existing customer sectors by providing new and valuable services;
- Leverage the registry and land service expertise to attract new registries and provide innovative services to new customers.

Considerable work was done in 2006 to identify and pursue growth opportunities and prepare the foundation for future growth.

With the significant mining and oil and gas activity in the province, ISC concentrated efforts to develop products and services that provide value to those sectors. There are many opportunities to assist these companies in these industries to do business in the province.

Map Staking

Currently the mining industry stakes claims by ground staking in the Northern Mining District. ISC is developing an online map staking system that will make the process simpler and more accurate. In late 2006, ISC signed a memorandum of understanding with Saskatchewan Industry and Resources to develop and evaluate a prototype in 2007, with hopes of launching the product in 2008.

SaskGrid

In late 2006, ISC completed the beta version of its new SaskGrid product. ISC extracted the township fabric from its cadastral base map to create a valuable new product that will assist land management customers to administer resources and infrastructure in their operations. The product will go to market in 2007.

Geosearch

The Geosearch project, begun in 2006, integrates mapping into the LAND System and enhances the customer's ability to conduct searches and get a complete picture of land ownership. The new search capabilities will be launched to customers in 2007.

Mineral Mapping

In June 2006 ISC initiated the Mineral Mapping Project to build the province's mineral parcel GIS pictures of the mineral quarter sections from six per cent completion to 85 per cent completion. The project will greatly simplify the determination of mineral parcel ownership when it is completed in mid 2007.

Other Registries and Land Related Services

ISC has been working in collaboration with various government and non-government agencies to identify opportunities to deliver other important registries where security and integrity are paramount, and to provide a customer interface for various citizen-focused services. This collaboration is also leading to identification of other opportunities to enhance and link LAND system services and information for the benefit of customers.

Return on Investment

In 2006, ISC experienced an increase in revenue driven by a thriving Saskatchewan economy. ISC anticipates this positive economic trend to continue in 2007 and, at the same time, continues to research new revenue opportunities and heighten emphasis on growth opportunities to reach the organization's 25 per cent growth target. However, operating expenses continue to increase in order for ISC to meet staffing needs and inflationary demands, and to sustain and meet new technology challenges. ISC is working towards sustaining a steady ratio of operating costs as a percentage of revenue.

($millions)	2003	2004	2005	2006	2007	2008	2009
Revenue	36.6	44.1	45.8	47.7	50.4	53.8	56.0
Operating Costs*	27.8	24.3	27.2	28.3	32.3	33.3	34.7

*Operating Costs exclude amortization and interest.

To ensure that funding is available to achieve growth and improvement at ISC, capital investment will be increased to $8.0 million in 2007. These investing activities include growth and diversification initiatives, infrastructure improvements and ongoing improvements to existing capital assets. ISC is developing a three-year investment strategy that will achieve alignment to growth initiatives.

($millions)	2003	2004	2005	2006	2007	2008	2009
Capital Investment	6.2	4.6	5.3	5.1	8.0	10.0	10.0

In 2006 the debt portfolio was restructured resulting in minimizing interest rate risk and carrying costs. Debt has decreased by 58.0 per cent since 2003, which was possible due to excellent cash flows. In 2007, financial targets will need to be developed for the outgoing years in order to establish the targeted debt levels and to retain strategic flexibility.

($millions)	2003	2004	2005	2006	2007	2008	2009
Total Debt	62.9	51.0	39.0	25.4	21.0	21.0	21.0

The general requirements to be able to pay a dividend are to have positive equity. ISC anticipates achieving this targeted financial position in 2007, allowing the Corporation to be in a dividend-paying position. In 2007, ISC is estimating a $2.0 million dividend, which represents a dividend payment to CIC one year earlier than our original financial strategy predicted. After 2007, ISC is proposing to maximize the dividend payment in all the years that the dividend is payable starting in 2008.

($millions)	2003	2004	2005	2006	2007	2008	2009
Equity	(29.2)	(21.0)	(9.7)	(0.9)	4.6	5.5	6.8

The Corporation's unique financial structure has presented a challenge in establishing relevant financial performance measures. To ensure continued achievement of performance objectives, further review and research of benchmarks for ongoing financial targets will take place in 2007.

Organizational Excellence

ISC remains committed to achieving organizational excellence. Business units and individuals continue to look for ways to ensure continuous improvement to processes, practices and outputs.

To help evaluate and ensure success, ISC is utilizing the National Quality Institute's (NQI) frameworks, services and tools. NQI is an independent, not-for-profit organization that has become the leading authority in Canada on organizational excellence. Its quality management systems and standards are among the highest standards in the world.

ISC continues to make progress towards achieving the strategic goal for organizational excellence, having received external validation by achieving Level II of the Public Service National Quality Standards and Level I of the National Quality Healthy Workplace Standards. The National Quality Institute granted this validation after conducting an on-site verification/audit in February 2006.

In November 2006, a Manager of Business Excellence was appointed to facilitate and shepherd the organization in institutionalizing the principles of quality excellence by identifying training opportunities, tools, techniques and methods in order to encourage continuous improvement throughout ISC.

2006 Operational Highlights

Land Registry

Again in 2006, ISC saw high volumes of standard Land Registry transactions and was able to maintain turnaround times on or near the 2.5 day target throughout the year.

Mineral certification turnaround times were maintained at or near the 10 day target, despite the increased demand for the service. This compares to 115 days during 2005 and previously.

In 2006, ISC continued to improve the LAND System, making several customer-requested enhancements to the search screens and improving the printed outputs. The changes make the system easier to use and save customers' valuable time.

Usage of the Online Submission tool (OLS), which was introduced in 2005, continued to grow. Usage of the tool increased from 12 per cent of 2005 submissions to nearly 29 per cent in 2006. The OLS tool is easy to use and greatly reduces data inputting errors. As a result, OLS users enjoy much lower rejection rates; seven per cent as compared to the 25 per cent rejection rate averaged by customers using the paper based system. Customers who use the tool are satisfied; however OLS usage rates remain below what ISC had hoped to achieve. Throughout 2006, ISC consulted with customers and provided OLS training to continue to grow the use of the online tool.

SPPR

In February 2006, ISC introduced the new Saskatchewan Personal Property Registry (SPPR). SPPR now allows customers to search interests in personal property via the internet 24 hours a day, seven days a week. Personal Property Registry customers now conduct almost 100 per cent of their registrations and their interest searches online and are very satisfied with the new online service.

Geomatics

Despite a four per cent increase in volumes, ISC realized an 8.5 day turnaround time for plan processing transactions, below the 10 day target.

ISC completed the GIS migration project that updated the obsolete software and hardware that supports the GIS infrastructure, ensuring a stable platform for continued operations of the LAND System and organizational growth.

Outstanding People Practices

If ISC is going to be successful in the future, it is imperative that it "wins the people game." The organization strives to be a leader in people practices; an organization that provides employees with a healthy workplace and the opportunity to make a difference.

Like most organizations in Canada, ISC will see an inordinate number of its "baby-boomer" employees retiring over the next decade. More than 30 per cent of ISC's employees are currently eligible to retire. ISC has been proactively developing and implementing succession plans to counter the effects of this trend, and retain corporate knowledge.

ISC is committed to hiring a diverse and representative workforce and has also been successful in hiring youth and people of Aboriginal ancestry to help manage the impending "retirement bubble." In 2006, ISC successfully employed a number of innovative approaches to attract youth and diversity candidates.

- **Youth Task Force** was developed to attract youth to the organization, and to leverage the enthusiasm and forward thinking ideas of young people to develop a more youth friendly and progressive culture.

- **Diversity and Equity Committee** was formed to ensure that ISC maintains an inclusive environment, and that it is welcoming to all cultures.

- **Leadership Development Program** takes high potential employees and helps prepare them for roles of increased responsibility within the organization. The program provides learning opportunities and allows them to become involved with special projects.

ISC employs 248 individuals, 180 of whom are a members of ISC's own bargaining unit of the Saskatchewan Government and General Employees' Union (SGEU). ISC works closely with its Union and is proud of its excellent working relationship. Building upon this positive relationship, ISC and the Union committed to utilizing a mutual interest-based bargaining approach to negotiate the next collective agreement.

A healthy workplace is essential to ensure healthy, satisfied and engaged employees. ISC's Healthy Workplace Committee continues to facilitate the development and establishment of targeted programs for Corporation employees and their families. ISC has committed to achieving NQI Healthy Workplace standards. In early 2006 the Corporation achieved Level I of the National Quality Healthy Workplace Standards. In late 2006 a submission was made for accreditation of Level II National Quality Healthy Workplace Standards with results to be announced in 2007.

Trust and Confidence

As a Crown Corporation, ISC must have the trust and confidence of its ultimate shareholder – the people of Saskatchewan. ISC carefully manages its corporate reputation and is committed to ensuring strong corporate governance.

ISC is committed to protecting the privacy of its customers and employees. In 2006, ISC completed a project to implement a privacy framework. This framework strives to balance the requirement of customers for increased accessibility of information, with the requirement to protect personal information. Employees have been educated in privacy issues and procedures and the Corporation continuously strives towards excellence in its privacy practices. In addition, the project resulted in a number of key corporate policies and practices designed to protect the privacy of ISC customers and employees.

ISC shares responsibility with Saskatchewan Justice for the public policy underlying the Land, Survey and Personal Property registries. ISC houses the statutory officials for these public policy programs and has demonstrated success for this model of delivery. The Registrar of Titles, Controller of Surveys and Registrar of Personal Property Security are the statutory officials responsible for the alignment of service delivery with the legislative requirements, and for the quality, accuracy and integrity of the services provided. The Registrar of Titles and the Controller of Surveys are accountable to the Minister of Justice in their roles as custodians and stewards of the provincial land registration and survey systems. The demonstrated success of this model is a major selling point as ISC pursues other secure government registries.

ISC's corporate motto is "Making a Difference." To be seen as a good corporate citizen that is making a difference, it is imperative that ISC give back to communities and the province. In 2006, ISC developed a new Community Investment Strategy that will raise the profile of the organization in the community and will support good causes. ISC has committed to allocating a minimum of one per cent of its budgeted net income to be used to support community investment initiatives. ISC chose breast cancer as a corporate cause because the disease has adversely affected several ISC employees and their families. In December 2006, ISC donated $200,000 to the Hospitals of Regina Foundation to help equip the Pasqua Hospital Breast Assessment Centre.

Management's Representation on the Schedule of Performance Information

We prepared the performance information in accordance with the following principles except as otherwise described in the Schedule of Performance Information.

The performance information is related to stated objectives and performance targets and enables an assessment of the extent to which the objectives and targets are being achieved. It shows how results were achieved and how progress in achieving performance targets was measured.

The performance information is reliable. It is based on data that is accurate, complete, and available over a long period of time and at a reasonable cost. It is derived from data that is fair and unbiased, and that is capable of being replicated by independent and knowledgeable observers.

The performance information is understandable. It provides the level of detail needed to enable a proper understanding of performance and is limited to a key set of performance measures that are comparable over time and are aggregated at appropriate and meaningful levels.

Mark MacLeod
President &
Chief Executive Officer

Beverley Bradshaw
Chief Governance Officer &
Acting Chief Financial Officer

Schedule of Performance Information

(Balanced Scorecard for the year ended December 31, 2006)

The Balanced Scorecard (BSC) is a management system that assists ISC to demonstrate achievement of its vision and strategy by translating them into measurable objectives. It provides a "balanced" view of achievements by evaluating the organization from five perspectives:

- Customers and Stakeholders
- Enhancing Value – Organizational and Financial Performance and Growth
- Public Purpose
- People
- Innovation and Process Management

The ISC 2006 Annual Report follows the Canadian Comprehensive Auditing Foundation (CCAF) Public Performance Reporting Principles, one of which is to "look forward as well as back." As a result, this year's balanced scorecard includes measures, targets and results from 2004 through 2006 as well as projected measures and targets for 2007 through 2009.

This six-year view of our Balanced Scorecard highlights the 2006 measures, targets and results and includes measures from 2004 and 2005 which currently align with the 2006 scorecard perspectives and measures.

The service standards, vision, strategies and maturity of ISC's business do change over time. Correspondingly, measures have changed over the past few years and will continue to evolve. ISC is continually seeking to improve public reporting and, to that end, some measures are removed from the scorecard from one year to the next, while others are revised or added.

Some measures, which were reported in ISC's annual reports for 2004 and 2005, are not included in this multi-year view of the scorecard. These measures addressed one-time initiatives and other items that are no longer considered strategic; they are now tracked internally.

In the fall of 2006, ISC reviewed the Balanced Scorecard in development of the 2007 scorecard measures and targets. This review resulted in a leaner and more strategically focused scorecard for the upcoming year as seen in the 2007-2009 projections. ISC views ongoing refinement and improvement of the scorecard as important for effective measurement and meaningful reporting of corporate results.

Schedule of Performance Information

(Balanced Scorecard for the year ended December 31, 2006)

Customers and Stakeholders

2006 Corporate Strategies and Objectives:

- Provide excellent value to customers and stakeholders;
- Optimize delivery of existing services;
- Establish, achieve and maintain exemplary quality and service standards; and
- Enhance and facilitate customer self-sufficiency.

Alignment with Strategic Goals:

GROWTH	RETURN ON INVESTMENT	EXCELLENCE	HEALTHY WORKPLACE	TRUST & CONFIDENCE
★	★	★		★

	2004-2006 Targets followed by Final Results (Target Results)					
MEASURE	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**
Average turn-around time for survey plan processing and subdivision approval transactions in business days.	5.0 8.2	12.0 9.6	10.0 8.5	Targets have been exceeded. This measure will be removed in the 2007 scorecard and will continue to be tracked internally as it is important to our customers and to ISC.		
Average turn-around time for standard Land Registry transactions in business days.	3.0 3.5	3.0 2.85	2.5 2.55	2.5	2.0	2.0
Accuracy rate of land registration transaction processing (as measured by errors reported in each quarter in relation to packets processed that quarter). **** Note - 2007 has new methodology and targets have been adjusted to reflect same***	99.8% 99.3%	99.8% 99.3%	99.8% 99.4%	96.0%	96.5%	98.0%
Percentage of Land Registry transactions submitted by customers using the Online Submission (OLS) tool.	N/A	12.0% 12.0%	64.0% by year end 28.7% by year end	In 2007 this measure will be moved to the "Public Purpose" perspective.		
Saskatchewan Personal Property Registry searches completed online (following new SPPR system implementation Feb 2006)	N/A	N/A	90.0% 97.04%	Online searches and registrations exceeded 2006 targets. In 2007, searches will be removed from the scorecard and monitored internally. Registrations will be included in a new combined measure under the Public Purpose perspective in 2007. The new measure will be "Percentage of standard customer transactions received at ISC by electronic methods" and will track transactions from multiple lines of business.		
Saskatchewan Personal Property Registry registrations completed online (following new SPPR system implementation Feb 2006)	N/A	N/A	90.0% 99.46%			
Land registration packet examination acceptance rate		New for 2007		82.0%	82.0%	84.0%
Percentage of customers that are "satisfied" or "highly satisfied"	70.0% 88.0%	80.0% 83.0%	80.0% 90.5%	85.0%	85.0%	90.0%

- Plan processing transactions include the approval and filing of subdivision plans, condominium plans and consolidation plans.
- Standard Land Registry transactions include most transfers and interests submitted for registration to the Land Registry, but do not include condominium registrations, registrations involving changes to the underlying survey plan, or other non-registration related requests. Standard Land Registry transactions account for 90 per cent of all Land Registry transactions.
- Beginning in 2007, land registration transaction processing accuracy will be measured by quarterly reviews employing an audit-like methodology.
- Customers having the potential to increase utilization of the Online Submission (OLS) tool were actively engaged in order to determine OLS usage barriers. Training and support were then provided as required. A stronger understanding of customer preferences and requirements is guiding future support activities.
- Saskatchewan Personal Property Registry transactions include the registration of notices of financial or security interests or liens in personal property, such as cars and machinery, as well as searches of the registry for recorded notices of interests.

Schedule of Performance Information

(Balanced Scorecard for the year ended December 31, 2006)

Enhancing Value - Organizational and Financial Performance and Growth

2006 Corporate Strategies and Objectives:

- Enhanced financial performance to achieve sustainable profit over time;
- Position the organization for growth;
- Develop new products and services and acquire new customers;
- Enhance organizational governance practices and infrastructure;
- Investment in support of growth and improvement; and
- Strengthen ISC's identity.

Alignment with Strategic Goals:

GROWTH	RETURN ON INVESTMENT	EXCELLENCE	HEALTHY WORKPLACE	TRUST & CONFIDENCE
*	*	*		*

MEASURE	2004-2006 Targets followed by Final Results (Target Results) 2004	2005	2006	2007	2008	2009
Total revenue (demonstrating an increase of 25 per cent from 2004-2009)	$40.8 M $44.1 M	$44.2 M $45.8 M	$45.7 M $47.8 M	Measure has been revised and will be reported as "Annual revenue from new products and services introduced since 2004" in the 2007 scorecard, as outlined below. Total annual revenue will be monitored through our financial statements and targets.		
Annual revenue from new products and services introduced since 2004		New in 2007		$2.5 M	$5.5 M	$7.3 M
Operating costs, excluding amortization and interest: per cent of revenue	71.0% 60.0% includes interest	61.6% 59.4%	61.2% 59.3%	63.5%	62.0%	62.0%
Net Income	$1.5 M $8.3 M	$5.3 M 11.9% of revenue $8.3 M 18.1% of revenue	$5.4 M $8.7 M	Measure will be removed in 2007 scorecard. Net income will be monitored through our financial statements and targets.		
Return on Assets	N/A	10.5% 17.0%	11.6% 19.5%	17.8%	19.7%	27.7%
EBITDA (earnings before interest, taxes, depreciation and amortization)	N/A	N/A	$17.7 M $19.4 M	Measure will be removed from 2007 scorecard and monitored through financial statements.		
Debt to EBITDA	3.92 2.58	2.60 2.10	1.90 1.30	Measure will be removed from 2007 scorecard and monitored through financial statements.		
Debt Ratio	N/A	N/A	94.3% 69.6%	65.7%	60.2%	58.6%
Internet-enabled Personal Property Registry System	Planning completed & implementation commenced to web-enable Project planning and development underway	February 2006 implementation On-track for February 2006 implementation	Full implementation February 13, 2006 Full implementation February 13, 2006	Measure will be removed in 2007 scorecard as it was a project specific measure for an initiative completed in 2006.		
Successful achievement of growth initiatives	N/A	N/A	Explore new registry opportunities Several opportunities under analysis	Measure will be removed in 2007 scorecard. Growth achievements will be measured by annual revenue from new products and services above noted.		

- ISC exceeded its revenue target due to higher than projected volumes of Land Registry transactions and increased market values of property.
- ISC's net income is $3.3M above target. This profit level was influenced by lower operating costs and higher revenues than expected.
- Full implementation of the Saskatchewan Personal Property Registry System occurred in February 2006. Throughout 2006, the system has continued to perform successfully. This registry met or exceeded the targets established.
- Return on Assets was higher than anticipated, as there was a larger net income due to higher revenues and cost containment in 2006. Therefore, ISC is generating a higher return from its resources than targeted.

Schedule of Performance Information

(Balanced Scorecard for the year ended December 31, 2006)

Public Purpose

2006 Corporate Strategies and Objectives:

- Diversity hires;
- Minimize the environmental impact from operations;
- Support the Saskatchewan economy; and
- Ensure sustainability and integrity of programs delivered by ISC.

Alignment with Strategic Goals:

GROWTH	RETURN ON INVESTMENT	EXCELLENCE	HEALTHY WORKPLACE	TRUST & CONFIDENCE
★	★		★	★

MEASURE	2004-2006 Targets followed by Final Results (Target Results) 2004	2005	2006	2007	2008	2009
LAND system output (ratio of pages of paper output information to packets processed)	N/A	11 : 1 6.6 : 1 average	10 : 1 8.66 : 1 average	Environmental stewardship will be measured by electronic transactions in 2007. This measure will be removed from the scorecard.		
Representative workforce through diversity hiring – percentage of workforce that is comprised of:						
People of Aboriginal ancestry	2.5% 1.4%	1.5% 0.96%	2.0% 2.9%	6.0%	9.0%	11.0%
People with disabilities	3.4% 1.7%	1.5% 3.35%	2.0% 3.7%	4.0%	5.0%	7.0%
People from visible minorities	2.4% 2.3%	2.0% 0.48%	2.0% 1.6%	2.0%	3.0%	4.0%
Women in management and executive positions **Since 2005 we have measured against a combined target accounting for "Women in management & executive positions"*	Management: 45.0% 41.5% Executive: 45.0% 37.5%	45.0% 50.0%	45.0% 52.0%	50.0%	50.0%	50.0%
Value of goods & services purchased in Saskatchewan as a percentage of purchases	75.0% 94.0%	90.0% 94.0%	95.0% 95.6%	95.0%	95.0%	95.0%
Percentage of employees who have completed corporate cultural awareness training		New for 2007		100%	100%	100%
Total number of employment terms offered to provide workplace exposure and experience to students and recent graduates and to facilitate workforce development		New for 2007		18	22	27
Percentage of standard customer transactions received at ISC by electronic methods		New for 2007		94.0%	95.0%	95.0%
Percentage of Land Registry transactions submitted by customers using the On Line Submission (OLS) Tool **This measure was included under the Customers and Stakeholders perspective in 2006. It will be moved to this Public Purpose perspective in 2007.*	N/A	12.0% 12.0%	64.0% by year end 28.67% by year end	53.0%	64.0%	64.0%
Financial expenditure for community initiatives and investment in Saskatchewan as a percentage of budgeted net income		New for 2007		Minimum 1.0%	Minimum 1.0%	Minimum 1.0%

- ISC has achieved or exceeded its 2006 targets for diversity hiring for all categories except visible minorities. More emphasis and increased effort to attract and recruit diversity candidates, especially people of Aboriginal ancestry, has increased our success in meeting these targets. Beginning in 2007, more aggressive targets have been established for people of Aboriginal ancestry and people with disabilities. ISC will continue to pursue initiatives to meet the target for hiring visible minorities. In 2006, 28 per cent of all new hires at ISC were diversity candidates.
- ISC has been sponsoring and participating in cultural awareness training, such as the Aboriginal Cultural Awareness Program. The corporate objective is to have 100 per cent of employees receive training.
- In 2007, a new combined measure will be introduced to track ISC's electronic receipt of customer transactions for the Land Registry, Saskatchewan Personal Property Registry and Plan Processing. Electronic searches will be excluded from the measure as almost all customer searches are already completed using electronic means.
- Customers having the potential to increase utilization of the Online Submission (OLS) tool were actively engaged in order to determine OLS usage barriers. Training and support were then provided as required. A stronger understanding of customer preferences and requirements is guiding future support activities.

(Balanced Scorecard for the year ended December 31, 2006)

People

2006 Corporate Strategies and Objectives:

- Excellent people practices and healthy workplace culture through achievement of National Quality Institute Healthy Workplace standards;
- Improved communication with employees;
- Labour relations excellence;
- Employee development learning and succession planning; and
- Support succession planning by providing career opportunities for youth and implementing strategies to attract and retain young people in the ISC workforce.

Alignment with Strategic Goals:

GROWTH	RETURN ON INVESTMENT	EXCELLENCE	HEALTHY WORKPLACE	TRUST & CONFIDENCE
*	*	*	*	*

2004-2006 Targets followed by Final Results (Target Results)

MEASURE	2004	2005	2006	2007	2008	2009
Financial expenditure for employee development, learning and succession planning initiatives as a percentage of straight-time payroll expenditures (2005-2009)	1.5% of revenue 0.8% of revenue	3.0% ($360,000) 3.3% ($363,063)	3.0% ($350,934) 3.4% ($401,892)	Minimum 3.0%	Minimum 3.0%	Minimum 3.0%
Employee survey overall score based on a 5 point scale	3.9 3.05 early in year - new survey planned for 2005	3.3 3.5	3.5 preparing to conduct new survey using new measurement tool in 2007	TBD when measurement tool is confirmed	TBD when measurement tool is confirmed	TBD when measurement tool is confirmed
Accreditation for achievement of National Quality Institute Healthy Workplace standards	N/A	N/A	Level II Accreditation Application made Nov. 2006; site verification anticipated in Q1 2007	Level II sustained; prepare for Level III application	Level III Accreditation	Level IV Accreditation
Number of grievances	N/A	N/A	Less than five One	Management of grievances and Union leadership training and development are core work within ISC. These items will be tracked and monitored internally and removed in the 2007 scorecard.		
Number of training and development sessions for Union leaders that are co-ordinated, delivered and funded by ISC.	N/A	N/A	One Two			
Average age of permanent employees	N/A	44.0 years 43.5 years	43.0 years 43.0 years	Opportunities for students and recent graduates and workforce development will be the focus in 2007 and beyond, rather than average age of the permanent workforce. This measure will be removed in the 2007 scorecard.		

- ISC's commitment to investing in employee skills, training and development continued in 2006. This is a key strategy supporting ISC's succession and growth objectives. Training expenditure was $50,958 above target for the year. Expenditures on employee training and development include both corporate and individual training events. This included a very successful employee conference focused on aligning employees with the strategic direction of ISC, with specific emphasis on achieving a healthy and supportive work environment.
- Preliminary research is being done to revise and refocus the employee survey. The intent is to move toward a measurement tool focused on assessing organizational culture and employee well-being. With the assistance of an external consultant, ISC conducted employee focus groups to identify concerns and opportunities. Analysis of this work will be concluded in 2007.

Schedule of Performance Information

(Balanced Scorecard for the year ended December 31, 2006)

Innovation and Process Management

2006 Corporate Strategies and Objectives:

- Organizational excellence through achievement of National Quality Institute standards.

Alignment with Strategic Goals:

GROWTH	RETURN ON INVESTMENT	EXCELLENCE	HEALTHY WORKPLACE	TRUST & CONFIDENCE
★	★	★	★	★

	2004-2006 Targets followed by Final Results (Target Results)					
MEASURE	2004	2005	2006	2007	2008	2009
Accreditation for achievement of National Quality Institute (NQI) quality standards	N/A	Level II Accreditation Application submitted December 2005	Sustain Level II Level II accreditation confirmed and sustained	Level III Accreditation	Level III Accreditation	Level IV Accreditation

- ISC remains committed to the NQI Progressive Excellence Program. We are currently evaluating our aggressive targets to achieve Level IV accreditation. Our goal is to ensure that the Corporation is afforded the opportunity to fully entrench and realize the benefits of the organizational improvements and standards from each level of achievement.

2006 Results: Financial

The Corporation's financial results for the 2006 fiscal year compared favorably with the results of 2005.

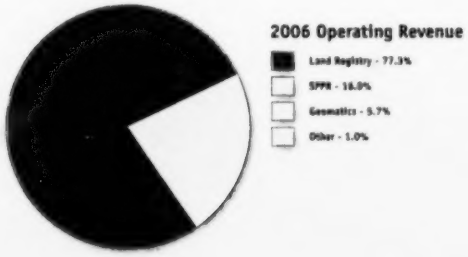
($millions)	2006	2005
Operating Revenues	47.7	45.8
Operating Expenses	39.0	37.5
Net Income	8.7	8.3

Net Income

ISC's 2006 net income of $8.7 million exceeded 2005 results. Positive revenue growth in the Land Registry, some of it offset by increased expenses in employee and information technology costs, contributed significantly to strong performance in 2006.

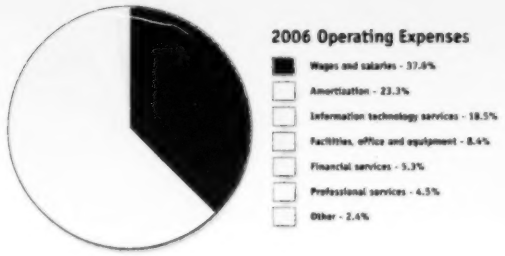
Operating Revenue

Operating revenue for 2006 increased to $47.7 million, up $1.9 million from 2005. In 2006, a strong Saskatchewan economy bolstered performance, driving increased volumes and high value transactions. Land Registry revenue was $36.9 million (2005 - $35.0 million), Saskatchewan Personal Property Registry (SPPR) revenue was $7.7 million (2005 - $7.4 million), Geomatics (including Plan Processing) revenue was $2.7 million (2005 - $3.1 million) and other revenue was $0.5 million (2005 - $0.3 million). Significant research has been conducted to link the performance of the economy to revenue generation.



Operating Expenses

Operating expenses in 2006 increased to $39.0 million, up $1.5 million from 2005. Increased employee costs were driven by new positions, in addition to salary and benefit increases. Information technology expenses also increased as the SPPR and Online Submission (OLS) systems became operational, prompting an increase in maintenance and support costs.


2006 Operating Expenses
Wages and salaries - 37.6%
Amortization - 23.3%
Information technology services - 18.5%
Facilities, office and equipment - 8.4%
Financial services - 5.3%
Professional services - 4.5%
Other - 2.4%

Operating costs included $1.5 million in initiatives targeted at improving customer service, supporting existing systems, and developing new revenue growth opportunities. These increases were partially offset by reduced financial and professional services costs. In 2006, operational expenditures as a percentage of revenue are up 0.1 per cent from 2005 at 59.3 per cent.

Liquidity

ISC was able to fund all operations, capital expenditures and debt obligations with cash generated from operations.

Cash provided by operating activities:

($millions)	2006	2005	Change	%
Years ended Dec. 31	18.0	17.7	0.3	1.7

In 2006, ISC generated approximately $18.0 million in cash provided by operations, up $0.3 million from 2005.

Cash used by investing activities:

($millions)	2006	2005	Change	%
Years ended Dec. 31	(5.1)	(5.6)	0.5	8.9

In 2006, cash used in investing activities was $(5.1) million, $0.5 lower than in 2005. Capital investing activities in 2006 were focused on leasehold improvements, capital projects and infrastructure and other additions to property plant and equipment.

Cash used by financing activities:

($millions)	2006	2005	Change	%
Years ended Dec. 31	(13.6)	(12.0)	(1.6)	(13.3)

In 2006, cash used for financing activities increased to $13.6 million. In December, ISC's long term debt matured. During the fourth quarter a refinancing initiative yielded a significant debt reduction of $13.6 million and shifted the ratio of long and short-term debt. Overall, the refinanced debt portfolio will facilitate ongoing initiatives, mitigate risk, and reduce financing costs while improving alignment to the Corporation's targeted capital structure.

Equity

Strong financial performance, punctuated by 2006 net income of $8.7 million, has accelerated reduction in ISC's deficit position. The Corporation is confident that it will be able to satisfy its requirement to pay a dividend to the shareholder by sustaining financial performance and eliminating the outstanding accumulated deficit of $0.9 million.

ISC expects to pay a dividend of $2.0 million or greater in 2007.

The Corporation's unique financial structure has presented a challenge in establishing relevant financial performance measures. To ensure continued achievement of performance objectives, further review and research of benchmarks for ongoing financial targets will take place in 2007. However, 2006 results helped ISC exceed its targets for 2006: ISC achieved a debt ratio of 69.6 per cent, considerably lower than the targeted 94.3 per cent; and, a return on assets of 19.5 per cent as compared to the targeted 11.6 per cent.

2007 Priorities & Challenges

ISC's 2007 business plan positions the Corporation to grow the products and services delivered through its core services, enhance excellence within the Corporation, expand and enhance services to meet customer needs, and move towards its targeted strategic goals for 2009.

In 2007 ISC intends to build upon its registry and Geomatics foundation by focusing on revenue growth through the creation of new services and expansion of the customer base, while remaining committed to providing a return to our shareholder and adding value to the province of Saskatchewan. We are striving to position ISC as a workplace of choice through the implementation and maintenance of outstanding people practices, pursuing the standard of business excellence that will ensure the improved delivery of our core services and, all the while, increasing the trust and confidence of all stakeholders.

Growth

ISC is maintaining concerted effort to achieve its strategic goal of generating $11.0 million in revenue from new products and services by 2009. Since much of the revenue ISC receives today is impacted by uncontrollable external factors, ISC is seeking out new sources of revenue to diversify our revenue stream, and continue to improve profitability and shareholder value. ISC has learned that the development cycle for new products and services is longer than previously anticipated. In 2007, ISC will be evaluating its growth targets and approaches.

Customers

ISC is in the planning process of further increasing its quality of service. As ISC has now begun the transition from issue-based (tactical) to opportunity-based (strategic) relationships with customers, in 2007 ISC will create new strategic relationships with customers by being proactive and identifying and addressing long-standing issues. By continuing to engage customers in the planning process, ISC can directly hear customers' concerns and ensure their needs are being addressed. Additionally, ISC will continue to evolve in managing customer issues and in identifying new services that address customer needs.

People

ISC wants to be, and wants to be seen as, a leader in people practices. In addition to remaining committed to achieving workplace excellence and a healthy workplace in accordance with NQI standards, ISC has a number of progressive and important initiatives underway which will contribute to the Corporation becoming an exceptional organization for people.

As the demographics of Saskatchewan continue to fluctuate, and more people move towards retirement, strong succession planning is critical to supporting ISC's business structure and success. Succession management is one component of ISC's Talent Management framework and includes establishment of critical core competencies required for the future; training and development programs and opportunities to support the Corporation and individual needs; and a commitment to coaching, mentoring, individual development and the transfer of knowledge; all based on thoughtful planning of the future needs of the organization.

ISC will complete its succession management plan in 2007. Understanding management and leadership capability gaps, and addressing these, will be instrumental in the progress of the Corporation. ISC remains committed to achieving aggressive results in building a representative workforce in the coming years.

In 2006 ISC formed the ISC Equity and Diversity Committee that is made up of employees who represent a variety of demographic groups in the organization. In 2007 and beyond, the committee will assist ISC to identify barriers and opportunities related to becoming a workplace that is not just respectful of, but is enriched through and celebrates, our diversity.

ISC is proud of the relationship between the Corporation and the Union. Both parties are dedicated to continuing, in 2007, to build on an already positive and constructive relationship while honoring respective roles and responsibilities. Further, ISC's Union Management Committee (UMC) will continue to be proactive in identifying opportunities for the establishment of new people related policies and practices, as well as revising existing problematic policies to reflect a "people first" orientation.

ISC is taking the lead in youth and diversity initiatives through its ISC Youth Task Force. In 2007 this group will continue to encourage employees to come forward and champion ideas related to attracting and retaining youth and people of Aboriginal ancestry.

Finally, in 2007, ISC will accelerate its efforts surrounding youth and diversity by developing a "pool" of new employees. ISC expects to recruit up to 20 new youth and diversity candidates. As the organization has vacancies and project needs, these positions will be filled by youth and diversity candidates.

Technology/Partnerships

Operationally, ISC's technology partners ISM and EDS will continue to strive for greater effectiveness and efficiency to deliver higher value, improved quality, new business unit benefits and higher customer satisfaction. ISC also looks to leverage the broader capabilities of these two partners to contribute to ISC's overall success.

Geomatics

In 2007 ISC will continue to research opportunities and benefits associated with developing services targeted at the resource sector, and to work on identifying the benefits of creating services to help organizations reduce the time spent on regulatory impediments. Further, 2007 will bring continued work on two Geomatics projects: the SaskGrid Project and the GIS Migration Project. SaskGrid is a mapping product being developed by ISC to meet the needs of government departments and industry to help better manage Crown land in Northern Saskatchewan for mining, oil and gas exploration, forestry, environmental, transportation and Aboriginal land claims. The GIS Migration Project will concentrate on upgrading the core infrastructure to support new applications, upgrading ISC's user tools and building an online distribution tool for vendors.

Land Registry

ISC will continue work to improve and enhance the LAND system in 2007. ISC is engaging customers, employees and stakeholders to develop a long-term vision for the Land Registry and its associated products and services. Using a service design approach, which will take into account industry best practices, the Corporation will be defining the requirements for upcoming system improvements. In 2007 ISC will conduct detailed planning to ensure any upgrades made to the system will satisfy the needs of customers well into the future.

Financial Outlook

In 2007 ISC will continue to prepare for the cost containment challenges driven by inflation and will research new revenue opportunities to heighten emphasis on growth and productivity in order to optimize and sustain profitability. Economic indicators point to continued strength in the market and ISC has budgeted a corresponding increase in revenue.

Operational expenditures in 2007 are expected to increase. Pressures will increase in employee costs due to anticipated wage increases, collective bargaining mandate and changes to the Corporation's structure while ongoing initiative expenditures are required to position ISC to benefit from growth opportunities. Current 2007 projections indicate continued progress towards establishing and maintaining a consistent targeted level of operating costs to revenue of 62.0 per cent.

ISC generated positive net income for the third consecutive year, demonstrating its commitment to achieving sustained profitability. The Corporation is projecting to make a profit of $7.5 million in 2007 and repay debt of $5.5 million.

The implementation of a long-term strategic capital investment plan will continue in 2007, supporting the realization of revenue growth, cost reduction and sustainability of existing assets. ISC's commitment to this plan results in capital investment of $28.0 million through to the end of 2009.

Strong financial performance has accelerated progress in achieving the targeted capital structure. In 2007 ISC will commence dividend payments to the shareholder a full year ahead of schedule. This ongoing dividend payment will begin with an initial dividend estimated at $2.0 million in 2007.

Business Excellence

ISC continues to make progress towards achieving the strategic goal for business excellence, by applying the National Quality Institute's (NQI) frameworks, services, and tools. ISC will continue to apply concerted effort to progress along the NQI path to excellence.

Throughout 2007 ISC will continue to work on healthy workplace initiatives. The Healthy Workplace Committee will facilitate the development and establishment of targeted programs for Corporation employees and their families. Having already achieved Level I of the National Quality Institute's Healthy Workplace Standards, ISC believes that in 2007 it will achieve Level II.

Community Investment

ISC's employees are actively involved in making a difference in their communities – the organization supports and encourages their efforts. In 2007 ISC is enhancing its community investment spending and, as a result, will be able to support more worthwhile causes around the province. ISC has committed to allocating a minimum of one per cent of its current year budgeted net income to Community Investment initiatives, and will track its progress on the Corporate Balanced Scorecard. ISC's strategy for use of community investment funds is to support economic growth, strengthen communities, encourage and celebrate youth achievements and promote cultural diversity.

Management's Responsibility for Financial Statements

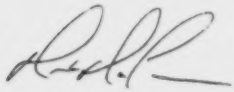
The accompanying financial statements included in the annual report of Information Services Corporation of Saskatchewan are the responsibility of corporate management.

Management has prepared the financial statements in accordance with generally accepted accounting principles in Canada and necessarily includes some amounts based on informed judgement and management estimates. Financial information presented elsewhere in this annual report is consistent with that in the financial statements.

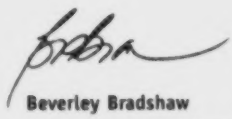
The financial statements have been audited by the independent firm of Meyers Norris Penny LLP, Chartered Accountants.

Management maintains an appropriate system of internal controls, policies and procedures to ensure the integrity and objectivity of the financial information. These measures provide reasonable assurance that all financial transactions are recorded and executed in compliance with required authority, assets are safeguarded and reliable financial records are maintained.

An Audit and Finance Committee, composed of members of the Board of Directors, met with management and the external auditor to review the Corporation's financial statements, adequacy of internal controls and discuss the audit results. The Board of Directors has reviewed and approved these financial statements.



Mark MacLeod
President &
Chief Executive Officer



Beverley Bradshaw
Chief Governance Officer &
Acting Chief Financial Officer

Auditors' Report

To the Members of the Legislative Assembly
Province of Saskatchewan

We have audited the statement of financial position of Information Services Corporation of Saskatchewan as at December 31, 2006 and the statements of operations and deficit and cash flows for the year then ended. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of Information Services Corporation of Saskatchewan as at December 31, 2006 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

The financial statements as at and for the year ended December 31, 2005 were audited by other auditors, who expressed an opinion without reservation on these statements in their report dated February 10, 2006.

Regina, Saskatchewan
January 31, 2007

Meyers Norris Penny LLP
Chartered Accountants

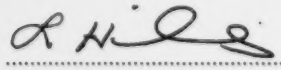
Statement of Financial Position

December 31, 2006 (thousands)

	2006	2005
CURRENT ASSETS		
Cash	$ 1,535	$ 2,237
Accounts receivable (Note 3)	-	1,635
Grant receivable from CIC (Note 4)	147	147
Inventories (Note 5)	370	418
Prepaid expenses	245	343
	3,920	4,780
DEFERRED EXPENSES (Note 6)	362	579
GRANT RECEIVABLE FROM CIC (Note 4)	648	766
CAPITAL ASSETS (Note 7)	37,279	41,302
	42,209	47,427
CURRENT LIABILITIES		
Short-term debt (Note 8)	13,000	9,000
Accounts payable and accrued liabilities	2,517	2,663
Customer deposits	2,308	2,406
Deferred revenue	159	145
Provision for early retirement plan (Note 4)	118	118
Current portion, long term debt (Note 9)	-	30,000
	18,102	44,332
PROVISION FOR EARLY RETIREMENT PLAN (Note 4)	648	766
LONG-TERM DEBT (Note 9)	12,401	-
	31,151	45,098
PROVINCE OF SASKATCHEWAN'S EQUITY		
Equity advances (Note 10)	12,000	12,000
Deficit (Note 11)	(942)	(9,671)
	11,058	2,329
	$ 42,209	$ 47,427

See accompanying notes to financial statements

APPROVED BY THE BOARD:



..... DIRECTOR

..... DIRECTOR

Statement of Operations and Deficit

Year ended December 31, 2006 (thousands)

	2006	2005
REVENUES		
Land Registry	**$ 36,936**	$ 34,970
Personal Property Registry	**7,652**	7,387
Geomatics	**1,726**	2,074
Plan Processing	**984**	1,022
Other	**457**	338
	47,755	45,791
EXPENSES		
Wages and salaries	**14,661**	13,969
Amortization (Note 7)	**9,094**	8,451
Information technology services	**7,210**	6,498
Facilities, office and equipment	**3,282**	3,135
Financial services	**2,078**	2,241
Professional services	**1,773**	2,501
Business and promotion expenses	**886**	606
Insurance and assurance	**42**	110
	39,026	37,511
NET INCOME	**8,729**	8,280
DEFICIT, BEGINNING OF YEAR (Note 11)	**(9,671)**	(17,951)
DEFICIT, END OF YEAR	**$ (942)**	$ (9,671)

See accompanying notes to financial statements

Statement of Cash Flows

Year ended December 31, 2006 (thousands)

	2006	2005
OPERATING		
Net income	$ 8,729	$ 8,280
Add: Charges not affecting cash		
Amortization of capital assets (Note 7)	9,094	8,451
Amortization of deferred expenses	217	254
	18,040	16,985
Net change in non-cash working capital items (Note 15)	(72)	705
	17,968	17,690
INVESTING		
Additions to property, plant and equipment and other intangible assets	(5,071)	(5,326)
Additions to deferred expenses	-	(243)
	(5,071)	(5,569)
FINANCING		
Proceeds from short-term debt	14,000	-
Proceeds from long-term debt	12,401	-
Repayment of short-term debt	(10,000)	(12,000)
Repayment of long-term debt	(30,000)	-
	(13,599)	(12,000)
(DECREASE) INCREASE IN CASH	(702)	121
CASH, BEGINNING OF YEAR	2,237	2,116
CASH, END OF YEAR	$ 1,535	$ 2,237
Interest paid during the year	$ 1,637	$ 1,847

See accompanying notes to financial statements

Notes to the Financial Statements

December 31, 2006 (thousands)

1. THE CORPORATION

Information Services Corporation of Saskatchewan (the "Corporation") is a Saskatchewan Provincial Crown Corporation operating under the authority of *The Crown Corporations Act, 1993* and *The Land Information Services Facilitation Act*.

The Corporation's mandate includes operating Saskatchewan's land titles system and integrating that system with the Provincial survey, mapping and geographic information systems, and operating the Province's Personal Property Registry (PPR).

During the year, pursuant to an Order in Council (OC #77/2006) on February 7, 2006, The Personal Property Security Amendment Regulations, 2006 were approved to facilitate implementation of the new internet-enabled PPR system.

On July 25, 2006 Cabinet approved OC #624/2006 authorizing the Minister of Finance to sell debentures of the Province of Saskatchewan to the Canadian Pension Plan Investment Board in an amount not exceeding $30,000 for the purposes of advances to ISC for its purposes.

By virtue of *The Crown Corporations Act, 1993*, the Corporation has been designated as a subsidiary of Crown Investments Corporation of Saskatchewan ("CIC"). Accordingly, its financial results are included in the consolidated financial statements of CIC. As a provincial Crown Corporation, it is not subject to federal or provincial income taxes.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Corporation's financial statements have been prepared in accordance with Canadian generally accepted accounting principles.

a) Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the year. Actual results could differ from those estimations. Amortization for capital assets is based on estimated useful life.

b) Inventories

Inventories are valued at the lower of cost and net realizable value. Cost is determined using the average cost basis. In the case of work in process, cost includes direct labour and materials.

c) Deferred expenses

Discounts incurred on long-term debt are recorded at cost less accumulated amortization. The amount of discount is amortized over the term of the related debt on a straight-line basis.

Transition costs incurred for the Information Systems Management Canada ("ISM") and EDS Canada Inc. ("EDS") service agreements (Note 6) have been deferred and are being amortized on a straight-line basis over the five-year term of the agreements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d) Capital Assets

LAND development costs

Development costs associated with the LAND Project were capitalized. Costs include materials, services, direct labour, interest and overhead costs which were readily identifiable with the project, as well as amortization of property, plant and equipment used in the LAND Project. Interest capitalized on the project amounted to $2,217. Amortization is calculated on the straight-line basis over the system's estimated useful life at the rates disclosed in Note 7. The Corporation evaluates the recoverability of these costs based upon the expected future undiscounted cash flows from the LAND System. Development and enhancements to the LAND system occurring after the completion of the original LAND project are reflected as property, plant and equipment and other intangible assets (Note 7).

Property, plant and equipment and other intangible assets

Property, plant and equipment and other intangible assets are recorded at cost, less accumulated amortization and any provision for impairment. Amortization is calculated using the straight-line method over their estimated useful lives. The costs of maintenance, repairs, renewals or replacements, which do not extend the productive life of an asset, are charged to operations when incurred. The Corporation evaluates the recoverability of these assets based upon the expected future undiscounted cash flows from the related assets.

e) Revenue recognition

Revenues from land registry, personal property registry, geomatics and plan processing are recognized in the accounts when services are rendered.

Amounts received in advance of geomatics services being performed are reflected as deferred revenue and are recorded as revenue when services are rendered.

Amounts received from customers in advance are reflected as customer deposits and are recorded as revenue when services are rendered.

f) Assurance and fee mitigation claims

Management's estimate of liability for assurance and fee mitigation is based on claims submitted to the Corporation.

g) Employees' future benefits

A defined contribution pension plan and a defined benefit pension plan are available for all eligible employees. The Corporation's obligation under the defined contribution plan is limited to contributions made for current service. When made, these contributions are charged to income. The obligation under the defined benefit pension plan is the responsibility of the General Revenue Fund (GRF).

h) Financial instruments

In January 2005, the Canadian Institute of Chartered Accountants issued new recommendations for the recognition and measurement of financial instruments, and amendments to the existing presentations and disclosure standards, effective for interim and annual financial statements with fiscal years beginning on or after October 1, 2006. The new recommendations address standards for recognizing and measuring financial assets, financial liabilities and non-financial derivatives; presentation and disclosure of these items; application of hedge accounting; standards for reporting and displaying certain gains and losses, such as unrealized gains and losses related to hedges or other derivative instruments, outside of net income, in a statement of comprehensive income; and standards for the presentation of equity and changes in equity, including changes arising from those items recorded in comprehensive income. There have also been numerous consequential amendments made to other Sections. Information Services Corporation does not expect the adoption of these new standards to have a material impact on its financial statements. Information Services Corporation adopted to comply by January 1, 2007.

3. ACCOUNTS RECEIVABLE

	2006	2005
Customer accounts receivable	$ 1,546	$ 1,526
Other	77	109
	$ 1,623	$ 1,635

4. GRANTS FROM CIC

Order-in-Council #590/2001 authorized CIC to provide a grant to the Corporation in an amount not exceeding $5,400 to fund the retirement costs associated with Land Titles employees who experienced job loss as a result of the LAND Project. The estimated cost of the retirement option amounting to $4,395 was recorded in 2002.

During the year, $118 (2005 - $122) was paid to employees. At December 31, 2006, $766 (2005 - $884) is recorded in the accounts to provide for the outstanding amounts that management estimates will become payable with respect to eligible employees in future years, with $118 expected to become due within the next twelve months.

5. INVENTORIES

	2006	2005
Work in process	$ 73	$ 93
Supplies	297	325
	$ 370	$ 418

6. DEFERRED EXPENSES

On November 7, 2003, the Corporation and ISM signed a five-year service agreement for ISM to deliver infrastructure support services in information technology. Transitional costs in the amount of $404 have been deferred and are being amortized over the five-year term of the agreement.

On April 28, 2004 the Corporation and EDS signed a five-year service agreement for EDS to deliver information technology application services. Transitional costs in the amount of $457 have been deferred and are being amortized to income over the five-year term of the agreement.

7. CAPITAL ASSETS

	Amortization Period (years)	Cost	Accumulated Amortization	Net Book Value 2006	Net Book Value 2005
a) Property, plant and equipment					
Server and network	5	$ 6,670	$ 6,618	$ 52	$ 384
Leasehold improvements	10	5,741	1,758	3,983	2,360
Office furniture	10	1,584	661	923	653
Office equipment	5	228	126	102	69
Hardware	3	1,481	1,129	352	205
		$ 15,704	$ 10,292	$ 5,412	$ 3,671
b) LAND development costs					
Data conversion	15	$ 17,262	$ 5,174	$ 12,088	$ 13,239
LAND development	7	31,137	22,198	8,939	13,388
		$ 48,399	$ 27,372	$ 21,027	$ 26,627

7. CAPITAL ASSETS (continued)

	Amortization Period (years)	Cost	Accumulated Amortization	Net Book Value 2006	Net Book Value 2005
c) Other intangible assets					
Software	3	$ 501	$ 325	**$ 176**	$ 163
Geographic information system	5	6,705	6,322	**383**	1,021
System enhancements	5-7	12,139	2,646	**9,493**	2,200
Other	3-5	1,177	1,141	**36**	252
Assets under development		752	-	**752**	7,368
		$ 21,274	$ 10,434	**$ 10,840**	$ 11,004
		$ 85,377	$ 48,098	**$ 37,279**	$ 41,302

Assets under development at December 31, 2006 include system enhancements relating to the Customer Output Management System (COMS), and the Petroleum Phase I initiative. Other assets remaining in development were the SaskGrid project, as well as improvements to the LAND and Saskatchewan Personal Property Registry (SPPR) systems.

d) Amortization	2006	2005
Property, plant and equipment	**$ 1,103**	$ 1,492
LAND development costs	**5,599**	5,599
Other intangible assets	**2,392**	1,360
	$ 9,094	$ 8,451

8. SHORT TERM DEBT

	2006	2005
Short term debt from the GRF, due March 30, 2007, bearing interest at 4.22% per annum (2005 - March 31, 2006, 3.44%)	**$ 13,000**	$ 9,000

Interest is $216 (2005 - $423) on short-term debt.

9. LONG TERM DEBT

	2006	2005
Long-term debt from the GRF, due December 1, 2006, bearing interest at 4.75% per annum. Interest is paid semi-annually.	**$ -**	$ 30,000
Long-term debt from the GRF, due November 3, 2011, bearing interest at 4.15% per annum. Interest is paid semi-annually.	**9,935**	-
Long-term debt from the GRF, due December 1, 2011, bearing interest at 4.04% per annum. Interest is paid semi-annually.	**2,466**	-
	12,401	30,000
Less Current Portion	**-**	30,000
	$ 12,401	$ -

Interest is $1,383 (2005 - $1,425) on long-term debt.

Long-term debt will be held to maturity.

10. EQUITY ADVANCES

As a Saskatchewan Provincial Crown Corporation, the Corporation's equity financing has been provided in the form of an equity advance from CIC.

11. DEFICIT

On December 9, 2005, CIC approved a reduction of the deficit by the amount of $3,007 through a charge against contributed surplus.

12. RISK MANAGEMENT

The Corporation does not use any form of derivative financial instruments to manage its exposure to credit risk, foreign exchange risk or interest rate risk.

a) Credit risk
The Corporation does have significant concentration of credit risk among government sectors (See Note 13). Its customers are predominantly provincial, federal and municipal government departments and agencies, and its private sector customers are diverse.

b) Foreign exchange risk
Foreign exchange risk arises due to fluctuations in foreign currency exchanges rates. The Corporation does not conduct a significant portion of its business in foreign currencies.

c) Interest rate risk
The interest rates on long term and short term debt from the Province of Saskatchewan are fixed. Interest on short-term debt is subject to change every 90 days based on market rates.

d) Fair value
The carrying values of cash, accounts receivable, grant receivable from CIC, short-term debt, accounts payable and accrued liabilities approximate fair value due to their immediate or relatively short term maturity. The fair value of the Corporation's long-term debt is $12,390 at December 31, 2006 (2005 - $30,237). The fair value of long-term debt is based on publicly quoted market values for similar instruments.

13. RELATED PARTY TRANSACTIONS

Included in these financial statements are transactions with various Saskatchewan Crown Corporations, departments, agencies, boards and commissions related to the Corporation by virtue of common control by the Government of Saskatchewan and non-Crown Corporations and enterprises subject to joint control and significant influence by the Government of Saskatchewan (collectively referred to as "related parties").

Routine operating transactions with related parties are settled at prevailing market prices under normal trade terms. Prior to implementation of the LAND System, some related parties were not charged for search and registration activities; all related party transactions under the new LAND System are at legislated prices. These transactions and amounts outstanding at year-end, not separately disclosed in the financial statements, are as follows:

13. RELATED PARTY TRANSACTIONS (continued)

Financial position at December 31:	2006	2005
Accounts receivable	$ 634	$ 522
Grant receivable from CIC	795	913
Prepaid expenses	-	104
Accounts payable & Accrued liabilities	298	266

Operations for the year:	2006	2005
Revenues	$ 2,554	$ 2,437
Expenses	4,440	4,867
Costs capitalized-property, plant and equipment	27	36

During the year, the Corporation purchased consulting services totalling $17 (2005 - $289) from a company in which an officer of the Corporation was a shareholder and director.

In addition, the Corporation pays provincial sales tax to the Saskatchewan Department of Finance on all its taxable purchases. Taxes paid are recorded as part of the cost of those purchases. Other amounts and transactions due to and from related parties and the terms of settlement are described separately in these financial statements and the notes thereto.

14. COMMITMENTS AND CONTINGENCIES

The Corporation leases all of its office space through operating leases.

Future minimum payments for leasing of office space and for service agreements with EDS and ISM, include the following amounts over the next five years:

	OFFICE LEASES	SERVICE AGREEMENTS	TOTAL
2007	$ 1,504	$ 6,673	$ 8,177
2008	1,517	6,416	7,933
2009	1,547	956	2,503
2010	1,586	-	1,586
2011	563	-	563
Thereafter	3,227	-	3,227
	$ 9,944	$ 14,045	$ 23,989

The Land Titles Act 2000 contains an assurance provision that allows customers to recover losses due to the errors or omissions of the Registrar. In the course of its normal operations, the Corporation is subject to a number of claims and legal actions that may be made by customers pursuant to the assurance provision. Management's estimate of liability is based upon claims submitted. No provision is recorded for unreported claims.

15. NET CHANGE IN NON-CASH WORKING CAPITAL ITEMS

The net change during the year comprised the following:

	2006	2005
Accounts recievable	$ 12	$ (50)
Grant receivable from CIC	118	93
Inventories	48	(151)
Prepaid expenses	98	(89)
Accounts payable and accrued liabilities	(146)	1,111
Customer deposits	(98)	(93)
Deferred revenue	14	6
Provision for early retirement plan	(118)	(122)
	$ (72)	$ 705

16. PENSION EXPENSE

All employees are participants in defined contribution or defined benefit pension plans. Employees hired after October 1, 1977 make contributions to *The Public Employees Pension Plan ("PEPP") Act and Regulations*, a defined contribution plan. Funding requirements are established by *The Superannuation (Supplementary Provisions)* and the Corporation matches employee contributions.

Employees hired prior to October 1, 1977 who did not elect to transfer to PEPP by October 1, 1978, make contributions to *The Public Service Superannuation Plan ("PSSP") Act and Regulations*, a defined benefit plan. The plan provides for pensions at retirement that are based on employees' years of service and their highest five years' earnings. Pension obligations for this plan are the responsibility of the GRF. PEPP accounts are also established for employees covered by PSSP to provide equal access to pension enhancements negotiated for members of PEPP.

The total pension costs of the Corporation for the year were $891 (2005 - $829).

16. COMPARITIVE FIGURES

Certain comparative figures have been reclassified to conform to the current year's presentation.

Governance

Authority and Mandate

ISC was established as a Crown Corporation on January 1, 2000 under *The Crown Corporations Act, 1993*, with a mandate to deliver integrated land titles and provincial survey, mapping and geographic information systems as well as personal property registry services, to meet the needs of the people of Saskatchewan and elsewhere. This mandate serves to support and facilitate commerce and economic activity in the province.

ISC is responsible to administer the following legislation, which guides the actions and operations of the Corporation in delivery of our major lines of business:

- *The Land Titles Act, 2000;*
- *The Land Surveys Act, 2000;*
- *The Condominium Property Act, 1993;* and,
- *The Personal Property Security Act, 1993.*

Both the Minister responsible for ISC and the Minister of Justice share responsibility for the legislation noted above, along with the following related statutes administered by ISC:

- *The Land Surveyors and Professional Surveyors Act;*
- *The Land Information Services Facilitation Act;*
- *The Alberta-Saskatchewan Boundary Act, 1939;*
- *The Manitoba-Saskatchewan Boundary Act, 1937;*
- *The Manitoba-Saskatchewan Boundary Act, 1942;*
- *The Manitoba-Saskatchewan Boundary Act, 1966;*
- *The Manitoba-Saskatchewan Boundary Act, 1978; and*
- *The Saskatchewan Northwest Territories Boundary Act, 1966.*

ISC also administers *The Geographic Names Board Act*, which is assigned solely to the Minister responsible for ISC.

ISC shares responsibility with Saskatchewan Justice for the public policy underlying the land, survey and personal property registries. The statutory officials appointed by the Lieutenant Governor in Council to oversee the delivery and integrity of these registries and programs are employees of ISC, but are also accountable to the Minister of Justice respecting their custodial and statutory functions.

Board of Directors

The Role of the Board

The Board functions as steward of the Corporation and has statutory authority and an obligation to oversee the affairs and business of the Corporation. The Board's principal duties and responsibilities are set out in the Terms of Reference, which are reviewed annually and include:

- satisfying itself as to the integrity of the CEO and executive officers, and ensuring that these individuals create a culture of integrity throughout the organization;
- providing leadership in setting the Corporation's long-range strategic direction;
- participating in identification of the principal risks of the Corporation's business;
- appointing, monitoring, and evaluating the CEO;
- adopting policies and processes to enable effective communication with the shareholder, stakeholders and the public;
- ensuring the integrity of the Corporation's internal control and financial and management information systems;
- ensuring that the Board functions independently of management; and
- ensuring that the Corporation operates at all times within applicable laws and regulations, and to the highest ethical and moral standards.

Board Composition

In 2006 the ISC Board of Directors expanded from six to eight members. Kevin Stangeland and Barbara Wright were appointed in March 2006. Barbara Wright is an ISC in-scope employee who was nominated by the Union to serve as the Labour Representative on the Board. The range of backgrounds and skills of Directors, including law, banking, Union leadership and public administration, enhance the breadth and strength of the Board.

Chair:	Larry Hiles, Regina
Vice Chair:	Doug Moen, Q.C., Regina
Directors:	Dawn Cheecham, Saskatoon
	Peggy Clark, White Rock, B.C. (formerly of Regina until October 2006)
	Gerald Fiske, Regina
	John Law, Regina
	Kevin Stangeland, Swift Current
	Barb Wright, Labour Representative, North Battleford

Board members are appointed by the Lieutenant Governor in Council. The Board Chair and Vice Chair are also designated by the Lieutenant Governor in Council. During 2006, the terms of appointment of existing Board members were revised or extended by Order in Council, including the reappointment of some Board members for an additional term.

Board Committees

To assist the Board in meeting its responsibilities, the Board has created and delegated certain responsibilities to three Committees of the Board. Each Committee has its own Terms of Reference outlining its scope, duties and responsibilities. The Terms of Reference and Committee membership are reviewed annually.

The Audit and Finance Committee:

- reviews and recommends to the Board, key financial performance metrics and targets;
- reviews the integrity of the Corporation's financial reporting with the External Auditor;
- monitors and reviews the Corporation's systems and policies to identify and manage risks to the achievement of the Corporation's strategic goals and objectives; and
- reviews the Corporation's systems of internal control to ensure compliance with regulatory requirements for financial reporting, safeguarding of public resources, raising revenue, spending, borrowing and investing.

Committee members are: John Law (Chair), Peggy Clark (Vice Chair) and Larry Hiles. Effective January 1, 2007, Kevin Stangeland is also a member of the Committee.

The Governance Committee:

- develops and recommends exemplary corporate governance practices to ensure effective Board performance;
- monitors the operations of the Board and its Committees;
- reviews and makes recommendations concerning the size, composition and required capabilities of the Board with a view to facilitating effective decision making;
- develops and recommends competency and skill requirements which set out the qualifications for Board membership as a whole as well as for specific vacancies;
- acts as ethics advisor to the Board and individual directors;
- monitors and reports to the Board concerning compliance with Directors' Code of Conduct and conflict of interest matters; and
- conducts an evaluation on the overall performance of the Board and Committees of the Board. This includes a peer assessment of individual director contribution and effectiveness.

Committee members are: Doug Moen (Chair), Gerald Fiske (Vice Chair), Dawn Cheecham and John Law.

The Human Resources Committee:

- reviews and reports to the Board on the Corporation's health, safety and environmental policies and practices;
- reviews and makes recommendations to the Board respecting the CEO position description, CEO compensation and the recruitment and appointment of the CEO;
- oversees the development of and succession planning for the CEO and executive management;
- reviews the Corporation's performance management practices and procedures;
- reviews and monitors compensation and benefit programs and policies for executive, management, in-scope and out-of-scope employees; and
- reviews and makes recommendations to the Board on collective bargaining mandates.

Committee members are Larry Hiles (Chair), Gerald Fiske (Vice Chair), Peggy Clark and Barbara Wright.

Board Compensation

Non-government Board members are paid an annual honorarium and per diems. Payments are in accordance with the Crown Investments Corporation's Remuneration Schedule for meetings and activities undertaken on behalf of the Board, as well as any related expenses incurred such as travel, accommodation or meals. During 2006, there were 36 meetings of the Board and its Committees.

The CIC Remuneration Schedule effective March 1, 2006 is outlined below:

Chair Retainer	$ 6,500
Member Retainer	5,000
Chair Meeting Fee	600
Committee Chair Meeting Fee	550
Member Meeting Fee	500

Governance Practices and Measurement Standards

In 2005, the Canadian Securities Administrators National Policy 58-201 on Corporate Governance Guidelines and National Instrument 58-101 on Disclosure of Corporate Governance Practices came into effect. Although the CSA Guidelines are not prescriptive in the Crown sector, ISC, along with other Saskatchewan Crown Corporations, has chosen to benchmark our governance practices against the standard established by the CSA Guidelines. In 2005, ISC included a summary form scorecard in our Annual Report. The following describes and measures ISC's governance practices against the full set of CSA Corporate Governance Guidelines.

CSA National Policy 58-201 Corporate Governance Guidelines	ISC Governance Practices – 2006	Consistent with Guideline?
Composition of the Board		
3.1) The Board should have a majority of independent directors.	Seven of the eight directors are independent: • Larry Hiles, Chairperson • Doug Moen, Q.C., Vice Chairperson • Dawn Cheecham • Peggy Clark • Gerald Fiske • John Law • Kevin Stangeland One director, Barbara Wright, is an ISC in-scope employee and Chairperson of the ISC/SGEU Negotiating Committee. Ms. Wright was nominated by the Union to serve as the Labour Representative on the ISC Board.	Yes
3.2) The Chair of the Board should be an independent director. Where this is not appropriate, an independent director should be appointed to act as "lead director." However, either an independent chair or an independent lead director should act as the effective leader of the Board and ensure that the Board's agenda will enable it to successfully carry out its duties.	Larry Hiles is the Chair of the Board and is an independent director.	Yes
Meetings of the Board		
3.3) The independent directors should hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance.	Board and Committee agendas include in-camera segments during which management and the Labour Representative may be excused and may include meetings with the external, internal and Provincial auditors. In-camera minutes are not made available to members of management or the Labour Representative if excused. A written protocol was developed to govern and facilitate the participation of the Labour Representative and the handling of circumstances where a conflict exists.	Yes
Board Mandate		
3.4) The Board should adopt a written mandate in which it explicitly acknowledges responsibility for the stewardship of the issuer, including responsibility for: • to the extent feasible, satisfying itself as to the integrity of the Chief Executive Officer (the CEO) and other executive officers and that the CEO and other executive officers create a culture of integrity throughout the organization; • adopting a strategic planning process and approving, on at least an annual basis, a strategic plan which takes into account, among other things, the opportunities and risks of the business; • the identification of the principal risks of the issuer's business and ensuring the implementation of appropriate systems to manage these risks; • succession planning (including appointing, training and monitoring senior management); • adopting a communication policy for the issuer; • the issuer's internal control and management information systems; and • developing the issuer's approach to corporate governance, including developing a set of corporate governance principles and guidelines that are specifically applicable to the issuer.	The Board and its three Committees (Audit and Finance, Human Resources and Governance) all have written Terms of Reference setting out their objective, constitution, reporting responsibilities, scope, duties, responsibilities and composition criteria. The Board Terms of Reference explicitly states: *"The Board of Directors function as stewards of the Corporation, and have statutory authority and an obligation to oversee the affairs and business of the Corporation."* Responsibilities of the ISC Board and its Committees outlined in their Terms of Reference include: • appointing the CEO, determining CEO performance objectives and evaluating CEO performance; providing input to other executive and senior management performance evaluations; • providing leadership in setting the Corporation's long range strategic direction and annually approving the overall performance management plan; • participating in identifying the principal risk of the business and implementing systems to manage these risks; also conducting in-camera sessions with the Corporation's internal-auditor, external auditor and the Provincial Auditor; • involvement in succession planning including receipt of quarterly reports on the Corporation's plans and progress toward succession plans; • adopting policies and processes to enable both management and the Board to communicate with the shareholder, stakeholders and the public; • ensuring the integrity of the Corporation's internal control and financial and management information systems; and • participating in the communication of the Corporation's corporate governance practices to appropriate stakeholders.	Yes

CSA National Policy 58-201 Corporate Governance Guidelines	ISC Governance Practices – 2006	Consistent with Guideline?
Board Mandate (continued)		
The written mandate of the Board should also set out: • measures for receiving feedback from stakeholders; and • expectations and responsibilities of directors, including basic duties and responsibilities with respect to attendance at Board meetings and advance review of meeting material.	The Board Terms of Reference provide for adopting policies and processes to enable both management and the Board to communicate with the shareholder, stakeholders and the public. Formal *Expectations for Directors of ISC Board* were approved and implemented in June 2006 and include preparation, attendance and participation expectations.	Yes
Position Descriptions		
3.5) The Board should develop clear position descriptions for the Chair of the Board and the Chair of each Board Committee. In addition, the Board, together with the CEO, should develop a clear position description for the CEO, which includes delineating management's responsibilities. The Board should also develop or approve the corporate goals and objectives that the CEO is responsible for meeting.	The ISC Board has had a position description for the Chair of the Board since September 2005. The Board approved the position description for the President & CEO in March 2006. The Board approved position descriptions for the Chair of each Committee in June 2006. In addition, the Board Terms of Reference outline management's responsibilities. The CEO's goals and objectives are developed by the Human Resources Committee and approved by the Board and align with the corporate strategic goals and objectives approved by the Board.	Yes
Orientation and Continuing Education		
3.6) The Board should ensure that all new directors receive a comprehensive orientation. All new directors should fully understand the role of the Board and its Committees, as well as the contribution individual directors are expected to make (including, in particular, the commitment of time and resources that the issuer expects from its directors). All new directors should also understand the nature and operation of the issuer's business.	A full day orientation was provided by the Chair and Chief Executives for new Board members in April 2006. The orientation addressed the role of the Board and its Committees, director expectations and information about corporate history, strategic direction, operation and challenges. Extensive written and reference material was provided to supplement the orientation session.	Yes
3.7) The Board should provide continuing education opportunities for all directors, so that individuals may maintain or enhance their skills and abilities as directors, as well as to ensure their knowledge and understanding of the issuer's business remains current.	Updated orientation material was provided to current members for information. An internal training/education session took place in November 2006 for new and current Board members. In 2006, the Board approved a Board Orientation and Continuing Education Policy for Board members. All Board members are invited to participate in the CIC Board training sessions. CIC also manages a directors' reading program, providing the most recent publications and articles around corporate governance, to directors.	Yes
Code of Business Conduct and Ethics		
3.8) The Board should adopt a written code of business conduct and ethics. The code should be applicable to directors, officers and employees of the issuer. The code should constitute the written standards that are reasonably designed to promote integrity and to deter wrongdoing.	Board members must comply with the Directors' Code of Conduct, which was developed by CIC and applies to all directors of its subsidiary Crown Boards. ISC also has a Code of Conduct for employees. In 2006 ISC developed a single Code of Conduct for directors, officers and employees. Approval and implementation of the new Code is planned for 2007.	Yes
In particular, it should address the following issues. • conflicts of interest, including transactions and agreements in respect of which a director or executive officer has a material interest; • protection and proper use of corporate assets and opportunities; • confidentiality of corporate information; • fair dealing practices with the issuer's security holders, customers, suppliers, competitors and employees; • compliance with laws, rules and regulations; and • reporting of illegal or unethical behaviour.	Board members must comply with the Directors' Code of Conduct, developed by CIC and applicable to all directors of its subsidiary Crown Boards, which substantially addresses these issues. In the future, ISC's Code of Conduct and companion policies will address these matters.	Yes
3.9) The Board should be responsible for monitoring compliance with the Code. Any waivers from the Code that are granted for the benefit of the issuer's directors or executive officers should be granted by the Board (or Board Committee) only.	In 2006, Board members were required to complete and provide to the Governance Committee a Directors' Acknowledgement of Understanding and Commitment respecting the Code of Conduct. The Governance Committee, as Ethics Advisor to the Board, is required to monitor and administer the Directors' Code of Conduct, which includes reporting to the Board concerning compliance. No waivers were granted by the Board or its committees in 2006.	Yes

CSA National Policy 58-201 Corporate Governance Guidelines	ISC Governance Practices – 2006	Consistent with Guideline?
Nomination of Directors		
3.10) The Board should appoint a nominating committee composed entirely of independent directors.	The Governance Committee is responsible for monitoring and making recommendations on size, composition, competency requirements and membership for the Board and its Committees. The Governance Committee is also responsible for the evaluation and recommendation of candidates for Board appointment and for recruitment of new members as required. All members of the Governance Committee are independent directors.	Yes
3.11) The nominating committee should have a written charter that clearly establishes: • the committee's purpose; • the committee's responsibilities; • member qualification; • member appointment and removal; • structure of the committee; • operations of the committee (including authority to delegate to individual members or subcommittees); and • manner of reporting to the Board. In addition, the nominating committee should be given authority to engage and compensate any outside advisor that it determines to be necessary to permit it to carry out its duties.	The Governance Committee Terms of Reference set out the Committee's objectives, constitution, responsibilities, scope, duties and composition criteria including: • to identify and recommend candidates for appointment to the Board of Directors; • develop and recommend exemplary corporate governance practices applicable to the Board; and • responsibility for the annual review of the Board and its committees. The specific duties and responsibilities account for establishing Board member qualifications, appointment, committee structure and operations and reporting to the Board. The Governance Committee may engage necessary advisors subject to Board approval.	Yes
3.12) Prior to nominating or appointing individuals as directors, the Board should adopt a process involving the following steps: • consider what competencies and skills the Board, as a whole, should possess. In doing so, the Board should recognize that the particular competencies and skills required for one issuer may not be the same as those required for another; • assess what competencies and skills each exiting director possesses. It is unlikely that any one director will have all the competencies and skills required by the Board. Instead, the Board should be considered as a group, with each individual making his or her own contribution. Attention should be paid to the personality and other qualities of each director, as these may ultimately determine the boardroom dynamic. The Board should also consider the appropriate size of the Board, with a view of facilitating effective decision making. In carrying out each of these functions, the Board should consider the advice and input of the nominating committee.	The Governance Committee is responsible to recommend to the Board the skill requirements and set out the qualifications for Board membership as a whole, as well as for specific vacancies. In consultation with the Board, Board Chair and the CEO, the Committee will identify potential candidates for Board membership and recommend proposed candidates to the Board. The Governance Committee evaluates prospective candidates for Board membership to assess their skills against a skills profile developed by the Board and to determine if the candidate will bring new and additional competencies required by the Board. The Governance Committee annually reviews the size, composition and required capabilities of the Board with a view to facilitating effective decision making.	Yes
3.13) The nominating committee should be responsible for identifying individuals qualified to become new Board members and recommending to the Board the new director nominees for the next annual meeting of shareholders.	The Governance Committee, in consultation with the CEO, the Board Chair and the Board, identifies potential candidates for Board membership.	Yes
3.14) In making its recommendations, the nominating committee should consider: • the competencies and skills that the Board considers to be necessary for the Board, as a whole, to possess; • the competencies and skills that the Board considers each existing director to possess; and • the competencies and skills each new nominee will bring to the boardroom. The nominating committee should also consider whether or not each new nominee can devote sufficient time and resources to his or her duties as a Board member.	The Governance Committee is responsible to recommend to the Board the skill requirements which set out the qualifications for Board membership as a whole, as well as for specific vacancies. Potential candidates for Board appointment are advised in the interview process about the time demands and expectations for directors and are asked to confirm their ability and willingness to meet those expectations.	Yes

CSA National Policy 58-201 Corporate Governance Guidelines	ISC Governance Practices – 2006	Consistent with Guideline?
Compensation		
3.15) The Board should appoint a compensation committee composed entirely of independent directors.	The Human Resources Committee is responsible for compensation plans and systems for executive, management and employees of the collective bargaining unit. This Committee is also responsible for setting and monitoring achievement of goals of the CEO, and ensuring appropriate performance management and succession planning systems are in place. One member of the Human Resources Committee is not independent. The Labour Representative is not a management officer of the Corporation, does not receive material or minutes related to management compensation or collective bargaining issues, does not participate in Committee or Board discussions or vote on such topics. All other members of the Human Resources Committee are independent.	Partially
3.16) The compensation committee should have a written charter that establishes: • the committee's purpose; • the committee's responsibilities; • member qualification; • member appointment and removal; • structure of the committee; • operations of the committee (including authority to delegate to individual members or subcommittees); and • manner of reporting to the Board. In addition, the compensation committee should be given the authority to engage and compensate any outside advisor that it determines to be necessary to permit it to carry out its duties.	The Human Resources Committee Terms of Reference serves as the written charter. Terms of Reference provide for outlining the committee's objective, scope, duties, responsibilities and composition criteria. The Human Resources Committee may engage necessary advisors subject to Board approval.	Yes
3.17) The compensation committee should be responsible for: • reviewing and approving corporate goals and objectives relevant to CEO compensation; • evaluating the CEO's performance in light of those corporate goals and objectives; • determining (or making recommendations to the Board with respect to) the CEO's compensation level based on this evaluation; • making recommendations to the Board with respect to non-CEO officer and director compensation, incentive-compensation plans and equity-based plans; and • reviewing executive compensation disclosure before the issuer publicly discloses this information.	The Human Resources Committee makes recommendations to the Board respecting the CEO position description, CEO compensation, CEO performance objectives, CEO performance evaluation, and recruitment and appointment of the CEO. The Committee also reviews and monitors executive, management, out of scope and in scope compensation and benefit plans. Executive and employee compensation disclosure occurs in the form of the annual payee list, which is recommended to the Board by the Audit and Finance Committee and publicly disclosed through tabling with the Crown and Central Agencies Committee of the legislature. In addition, under *The Crown Employment Contracts Act*, the CEO, Chief Executives and senior managers who report directly to the CEO are required to file their employment contract details with the Clerk of the Legislative Assembly.	Yes
Regular Board Assessments		
3.18) The Board, its Committees and each individual director should be regularly assessed regarding his, her or its effectiveness and contribution. An assessment should consider: • in the case of the Board or a Board Committee, its mandate or charter; and • in the case of an individual director, the applicable position description(s) as well as the competencies and skills each individual director is expected to bring to the Board.	Evaluations are conducted with the assistance of the CIC Corporate Secretary. Board, Board Chair, and Committee evaluations, plus, director peer assessments are conducted on a two-year cycle, as per CIC guidelines. The Governance Committee is responsible for implementing the evaluation, summarizing the results and reporting to the Board.	Yes

Risk Management

Managing and monitoring risks enhances the organization's ability to maintain the integrity of the registries and promote the achievement of the strategic objectives of ISC. It also contributes to providing value to customers and shareholders.

Early in 2006, the ISC Senior Management Team (SMT) participated in an interactive risk assessment session, the results of which were reviewed by the Board incorporating its perspective. The risk assessment process built on the foundation of the initial risk assessment conducted in late 2004. Risk is defined within ISC as the possibility of an event, action or circumstance adversely affecting the organization's ability to achieve its goals and objectives. The risk assessment promoted identification, discussion and consideration of the likelihood and impact of events that would hamper the achievement of corporate objectives. The top 10 corporate risks were identified during each of these sessions.

In addition to the identification and management of the top 10 risks at ISC, the risk assessment information was integrated into the strategic planning process and the internal audit planning. Risk based auditing adds value to the organization by focusing on the areas of highest risk. It provides the opportunity for auditors and management to view the business processes within the organization in an environment of risk. Additionally, each audit is linked back to the organization's overall goals and objectives.

The top 10 risks identified in 2006 were further categorized as strategic, operational, financial or human resources. The risks identified as critical to supporting the successful achievement of goals and objectives are not unique to ISC.

Attracting and retaining a skilled workforce is a risk with which many organizations in Saskatchewan are currently struggling. ISC has had some success in managing the people-related risks and will continue to be proactive to further mitigate them. The organization has implemented innovative strategies to attract skilled individuals from other provinces, to attract and retain diversity and youth candidates, and to build and preserve corporate knowledge.

Risks are also mitigated through solid business continuity plans. ISC successfully tested its business continuity and disaster recovery plan in 2006 and identified opportunities for further improvement.

ISC continued to work on a decision-making matrix in 2006 that will support business development strategies and assist in the integration of risk into the processes.

As previously flagged, ISC will be monitoring and evaluating its revenue execution strategies during 2007 and aggressively seeking cost containment strategies. ISC is also attentive to ensuring security of its information assets, systems, physical facilities and, most importantly, its people.

Risk identification and proactive mitigation strategies are evolving at ISC and will continue to move forward in 2007. Risk identification and management will continue to be integrated into the strategic and internal audit planning. The objectives of the Risk Management activities at ISC are to conduct an annual risk assessment to identify the risks to be managed and monitored, while also observing the business environment for the emergence of new risks. ISC will continue to move toward a mature, integrated risk management system.

ISC Board of Directors

Larry D. Hiles, BSA, FICB
Chairperson, Board
Chairperson, Human Resources Committee
Member, Audit and Finance Committee
President and CEO, Regina Regional Economic Development Authority (RREDA)
Regina, Saskatchewan

Mr. Hiles was appointed to Chair of ISC's Board of Directors in May 2002. In 2003, he was appointed President and CEO of RREDA after serving as Chief Financial Officer for Doepker Industries Ltd. Prior to this appointment, Mr. Hiles served for 25 years with CIBC in positions of increasingly senior management responsibility.

Mr. Hiles is dedicated to the development and success of Saskatchewan businesses and communities. In addition to ISC, he serves on the Boards of: Saskatchewan Economic Development Association (President Elect); Economic Developers Association of Canada; Saskatchewan Agrivision Corporation (Vice-Chair); Advisory Board of Regina Research Park; and Technology Innovation Centre of Regina. He has also served as: Chair, Canadian Bankers Association Independent Business Committee and Agricultural Committee; Past President Saskatchewan Chamber of Commerce; Director of the Canadian Chamber of Commerce; Chair of a number of committees for the Regina Chamber of Commerce; and Founding Director of the Entrepreneurial Foundation of Regina. Mr. Hiles has also been an active member of Team Saskatchewan (international trade); the Mayor's Task Force for Regina's Future; and the Action Committee on the Rural Economy (ACRE).

Very active in his community, Mr. Hiles has served as Vice-Chair of The United Way of Regina's Campaign Cabinet; President, Regina Palliative Care Inc.; Director of Junior Achievement of South Saskatchewan; and has more than six years of hands-on involvement with the Regina 83rd Scouts. A professional Agrologist and a Fellow of the Institute of Canadian Bankers, Mr. Hiles earned a Bachelor of Science in Agriculture from the University of Saskatchewan.

Doug Moen, Q.C., LL.B.
Vice Chairperson, Board
Chairperson, Governance Committee
Deputy Minister of Justice and Deputy Attorney General
Regina, Saskatchewan

Mr. Moen was appointed to the ISC Board in August 2002. Mr. Moen has a long and established career in Saskatchewan. Prior to his current senior posting with Saskatchewan Justice in 2002, he has held positions of increasing responsibility and authority in the Saskatchewan Justice System. Most recently he served as Executive Director, Public Law Division and Executive Director, Community Justice Division 1997-2002. He articled and worked in private practice with Harradence, Longworth and Zatlyn between 1979-1981.

Mr. Moen is dedicated to the Saskatchewan Justice environment. He has served as a Commissioner for the Regina Crime Prevention Commission and the Law Reform Commission and as a member of the Courtworker Advisory Committee and the Ministerial Advisory Committee on Dispute Resolution.

Dedicated as well to his community, Mr. Moen is a member and Past President of the Board of Phoenix Residential Society. Mr. Moen graduated from the College of Law, University of Saskatchewan in 1979. He was appointed Queen's Counsel in 1995, served as President, Uniform Law Conference of Canada and is a member of the Executive of the Canadian Bar Association (Saskatchewan Branch).

John Law, MPA, BA
Chairperson, Audit and Finance Committee
Member, Governance Committee
Deputy Minister of Highways and Transportation
Regina, Saskatchewan

As Deputy Minister of one of the government's major industry portfolios, Mr. Law is currently leading a new strategic plan to revitalize provincial transportation to support the growth and diversification of the Saskatchewan economy. Prior to this position, Mr. Law served as the President and CEO of the Saskatchewan Property Management Corporation. During his tenure, Mr. Law led a major reconstruction program which included many well-known provincial landmarks such as the Casino Regina Show Lounge and Skywalk project, the new integrated south Saskatchewan SIAST campus at the former Plains Hospital, the Saskatchewan Legislature renovation and the Regina Soundstage that is currently home to major motion pictures and national television productions like CTV's "Corner Gas." Mr. Law was previously a senior member of the Finance department charged with the rehabilitation of Provincial finances in the early 1990s when he oversaw the Provincial Government's Treasury Board operation. More recently Mr. Law served as the government's first Chief Information and Services Officer.

Mr. Law's employment history also includes private sector experience in marketing and public relations with the CFL's Winnipeg Blue Bombers and Labatt's Brewery Limited as well as a number of board appointments. He is currently Director and Vice-President of the Transportation Association of Canada and has previously served on the Federal government's Department of Foreign Affairs Advisory Board on Capital Construction, the Board of the Royal University Hospital in Saskatoon and the Provincial Archives Board.

Mr. Law has demonstrated a lifelong passion for sports and athletics. He has been a minor hockey coach and instructor for over 20 years. He was a member of Canada's Student National Hockey Team, an Olympic trialist, a member of the Prairie Fire Rugby team, Saskatchewan's entry in Canada's National Super League of Rugby and served on the Prairie Fire Board of Directors.

Peggy Clark, M.Sc., B.Sc.
Member, Audit and Finance Committee
Member, Human Resources Committee
City Manager of White Rock
White Rock, British Columbia

Ms. Clark has served on ISC's Board of Directors since May 2002. She has significant planning and management experience having worked in a number of positions including Director, Community Services for the City of Regina; Superintendent, Prince Albert National Park and Elk Island National Park; Saskatchewan Director, Department of Canadian Heritage; Regional Director for the Prairie/NWT, Department of Multiculturalism and Citizenship Canada; Director, Community Planning, Saskatchewan Urban Affairs; and Past President, Association of Professional Community Planners of Saskatchewan.

Ms. Clark's community involvement has included serving as member of the Board of the United Way of Regina, member of the United Way of Regina Cabinet and member of Leadership Regina's Curriculum Committee. Ms. Clark has a Masters of Science in Community and Regional Planning from the University of Texas in Austin, and a Bachelor of Science from the University of Alberta.

Gerald A. Fiske
Member, Governance Committee
Member, Human Resources Committee
President, Fiske Consulting Inc.
Regina, Saskatchewan

Mr. Fiske has more than 30 years of experience in the computer industry and has held several senior management positions including Vice President and General Manager of Information Systems Management Corporation (ISM). Since retiring from ISM/IBM in 1998, he has been President of Fiske Business and Computer Consulting Ltd.

Aside from the ISC Board of Directors, Mr. Fiske is currently a Board Member for the Ranch Ehrlo Society, and chairs the Finance Committee. He also serves as Finance chair on the Board of the Harbour Inn Condominium Corporation.

Mr. Fiske's community involvement includes being a member of the Rotary Club of Regina, serving on the Board of RREDA from 1996-2002, and being a member of the Provincial Action Committee on the Economy (PACE). He holds a Business Administration Certificate from the University of Saskatchewan and a Management and Administration Certificate from the Canadian Institute of Management.

Dawn Cheecham, BA, LL.B.
Member, Governance Committee
Partner, Bainbridge Jodouin Cheecham
Saskatoon, Saskatchewan

Ms. Cheecham was appointed to the Board in December 2004 and is a member of the Clearwater River Dene Nation in Northern Saskatchewan.

In July 2004, Ms. Cheecham became the first Dene person called to the Saskatchewan Bar and is currently a partner at Bainbridge Jodouin Cheecham in Saskatoon. Her practice is general, with a primary interest in Aboriginal law. Her professional associations include the Law Society of Saskatchewan, the Canadian Bar Association and the Indigenous Bar Association. She currently sits on the editorial board of the newly established Indigenous Justice Magazine.

Ms. Cheecham studied Native Studies at the University of Saskatchewan and received her Bachelor of Arts degree, with great distinction, in 2000. She attended the College of Law at both the University of Saskatchewan and University of Victoria and received her Bachelor of Laws degree from the University of Saskatchewan in 2003.

ISC Board of Directors

Kevin Stangeland, B.Comm., CA
Member, Audit & Finance Committee
President & CEO, Urban Forest Recyclers Inc. (UFR)
Swift Current, Saskatchewan

Mr. Stangeland was appointed to the ISC Board in March 2006.

He has been President and CEO of Urban Forest Recyclers Inc. since 1994 when the Corporation was established. Under his leadership, the Corporation has become the largest producer of egg trays (filler flats) in North America. In addition to ISC, he sits on the Board of Directors for SaskWorks Venture Fund (Chairman of the Investment and Audit committees), Churchill Energy Inc. (Chairman of the Board and member of the Audit committee) and Rem Enterprises Inc.

Mr. Stangeland received a Bachelor of Commerce degree from the University of Calgary, and is a member of The Institute of Chartered Accountants of Alberta. In 1998 he was a finalist for Entrepreneur of the Year for the Prairies Region.

Barbara J. Wright
Customer Advocate/Manager, Battlefords Customer Service Centre, ISC
North Battleford, Saskatchewan

Ms. Wright was appointed to the ISC Board in March 2006 as the labour representative; this is a new position on the Board.

Ms. Wright has worked with ISC since the Battlefords Customer Service Centre opened in May 2002. She began as Supervisor and over the last two years has taken on the additional position of Customer Advocate for ISC. A career civil servant, Ms. Wright started with Department of Highways 30 years ago, moved to Government Services and then to Land Titles in 1981 where she held positions of increasing responsibility, including Registrar of the Battleford Land Titles Office.

An active participant in her community, Ms. Wright has held various positions with the North Battleford Comprehensive High School Band Parents Association and the Kinsmen Band Association. She is currently director of the Battleford's Jazz Society.

ISC Corporate Secretary

Assigned by Crown Investments Corporation (CIC) of Saskatchewan

Marni Dormuth, CGA, FRM, PRM
Regina, Saskatchewan

Ms. Dormuth was appointed Corporate Secretary to the Board of Directors in February 2006. She has more than 10 years of experience as a Financial Risk Management Professional with the Office of the Auditor General of Canada and the Canadian Wheat Board. Ms. Dormuth is also the Corporate Secretary for the SaskPower Board of Directors.

She is a member of the Certified General Accountants Association of Saskatchewan, the Global Association of Risk Professionals and the Professional Risk Managers' International Association. She earned a Bachelor of Commerce (Honours) from the I.H. Asper School of Business at the University of Manitoba.

ISC Executive

Mark MacLeod, B.Sc.
President and Chief Executive Officer (CEO)

Mark MacLeod was appointed President and CEO of ISC in June 2002. He has more than 14 years experience in the start-up and management of growth companies. In 1988, he founded Software 2000, a firm that specialized in large scale Local and Wide Area Networking services. He sold this firm to SHL Systemhouse (MCI) in 1997. He subsequently served as SHL's Director, Network Integration Services and Director, Western Canadian Internet Productivity Solutions (1997-1999).

Very active in the Saskatchewan business community, Mr. MacLeod is Chair of the Board of Directors for the Communities of Tomorrow Initiative. He currently serves as a member of the Boards of RREDA, the Regina Research Park Advisory Board, most recently representing Saskatchewan on the Prime Minister's External Advisory Committee on Cities and Communities.

In his own community, Mr. MacLeod has participated as a Committee Member for Emerald Park's Communiskate initiative. He has a Bachelor of Science in Computer Science from the University of Regina.

Beverley A. Bradshaw, B.Adm., CMA
Chief Governance Officer and Acting Chief Financial Officer

Beverley Bradshaw joined the Saskatchewan public sector in 1977 and has worked with ISC since its inception in January 2000. She is a member of ISC's Executive Management team and is responsible for governance excellence at ISC, including adoption of governance best practices, Board and stakeholder relations, internal audit, privacy, risk management and corporate reporting.

In her additional role as Acting Chief Financial Officer, Ms. Bradshaw is responsible for the overall financial stewardship and fiscal direction of the Corporation. During 2006, Ms. Bradshaw provided oversight for the delivery of human resource practices and services at ISC.

An active participant in her church and the Regina community, Ms. Bradshaw has held a number of board and executive positions with organizations such as Big Sisters and the YWCA of Regina. She also volunteers her time to assist not-for-profit organizations with their planning and governance needs. A member of Financial Executives International, she holds a Bachelor of Administration degree from the University of Regina and is a Certified Management Accountant.

ISC Executive

Scott Hodson
Chief Customer Officer (CCO)

Scott Hodson was appointed CCO in October 2004. He is responsible for customer service excellence, achievement of growth strategies and brand and product development at ISC. Mr. Hodson joined ISC in February of 2004 as Director of Customer Services.

Mr. Hodson has over 16 years experience in the private sector where he held a variety of senior sales and marketing roles throughout Canada. Mr. Hodson joined ISC as a Saskatchewan repatriate from Alberta where he held positions of increasing responsibility with Kraft Canada, including Regional Sales Director, Western Canada.

Active in his community, he has coached numerous youth sports teams over the years. Mr. Hodson is based in Saskatoon and is enjoying his return to his home province.

Jeff Stusek, B.Admin., MBA
Chief Operating Officer (COO)

Jeff Stusek was appointed COO for ISC in August 2006. He is responsible for the operational development and management of the Corporation. His knowledge and expertise in customer and people relations will help ISC continue to strengthen and build upon its foundation of people.

Prior to his position at ISC, he spent over 13 years in leadership positions at the City of Regina as the Director of Transit, and managing Information Technology.

An active member of his community, Mr. Stusek is the President of the Regina Thunder Junior Football Club, and former Cabinet Director for the United Way.

Jeff holds a Bachelor of Administration and a Master of Business Administration degree from the University of Regina. He is married with two young sons.

ISC Senior Managers

Wayne Adams
Director, Surveys and Mapping

Karen Banks
Director, Registry Services

Grant Bastedo
Director, Public Affairs

Danni Boyd
Director, Organizational Development

Kenneth Budzak
Director, Resolutions and E-Business Services

Kim Copolla
Director, Customer Services

Len Daniels
Director, Human Resources

Greg Hebert
Director, Business Development

Kathy Hillman-Weir
General Counsel and Director, Corporate Governance

Jerry Laird
General Manager, Product Strategy and Services (2007)

Gilbert Macaulay
Director, Special Projects

Debra McLean
Director, Customer Service Centres

Kevin Saunderson
Director, Technology Solutions

Lillian Schweitzer
Controller

ISC Employees (as of December 31, 2006)

The daily contributions of our dedicated employees are key to the success of ISC. We thank them for their hard work and commitment over the past year, and recognize their efforts by listing their names below.

Ackerman, Denise
Adams, Wayne
Amyotte-Kupusa, Michelle
Baer, Sarah
Baker, Lauren
Banks, Karen
Bansley, Lora
Bartel, Deb
Bartko, Leanne
Bastedo, Grant
Beatty, Michael
Bedo, Lisa
Benning, Catherine
Biccum, Kathy
Blanch, Dawn
Bodie, Deb
Bouchard, Gwen
Boutilier, Jeff
Boyd, Danni
Boyd, Jim
Bradshaw, Bev
Briere, Agnes
Brown, Carol
Brown, Reginald
Budzak, Ken
Bunzenmeyer, Polly
Buttazoni, Cathy
Bzdel, Lora
Campbell, Doug
Canfield, Edith
Carrick, Jan
Clarke, Wendy
Coates, Elena
Coleman, Jeff
Collins, Rhonda
Cook, Larry
Coppola, Kim
Courchene, Mike
Coxe, Kevin
Currie, Barb
Daniels, Len
Davis, Diana
Dean, Murray
Demitor, Jeff
Desnoyers, Edward
Deutsch, Jane
Dietrick, Shelly
Dimen, Douglas
Dirkson, Jane
Dixon, Patricia
Dumanski, Diana
Dumontier, Dennis
Dvernichuk, Joel
Dzikowski, Dean
Eason, Sid
Edmison, Janet
Egilsson, Brenda
Ehr, Chantelle
Fenrich, Mark
Ferguson, Bonnie
Fisher, Rhonda
Fiske, Jason
Forster, Val
Fortowsky, Margaret
Francais, Jody
Frischholz, Perry
Fry, Raelyn
Gall, Mark
Garner, Sheila
Geisbauer, Celeste
Gellner, Karen
Gelowitz, Mona
Gilchrist, Glen
Gizen, Bonnie
Gordon, Janet
Graf, Laurie
Grywul, Bruce
Gubbe, Darline
Hamilton, Valerie
Hammond, Glen
Hansen, Gloria
Hebert, Greg
Hedstrom, Deb
Heglin, Margo
Helstrom, Diane
Herod, Mary
Hillier, Wendy
Hillier, Riki
Hillman-Weir, Kathy
Hjorth, Linda
Hodges, Jayton
Hodson, Scott
Hood, Monica
Hornung, Blair
Horvath, Erin
Houseman, Keith
Howell, Marilyn
Hughes, Christine
Hupp, Sheri
Ilg, Leslie
Indzeoski, Lois
Jakeman, Aldean
Jenkins, Brent
Jenkins, Darlene
Jensen, Alan
Jensen, Cathy
Jensen, Jennifer
Johnson, Doug
Johnson, Lyla
Johnson, Rhonda
Jones, Elaine
Kaip, Lisa
Kang, Hera
Karpinski, Barbara
Kasun, Daniel
Keller, Bernie
Kim, Saravong
King, Judith
Kinvig, Laurie
Kitzul, Sheldon
Klashinsky, Terri
Klassen, Linda
Kleckner, Kevin
Knorr, Richard
Knowles, Pamela
Koskie, Elaine
Kovatch, Donna
Kraft, Daryl
Krywulak, Mina
Kuntz, Justine
Kunz, Elva
Kutarna Gates, Kristin
Kwas, Shalon
LaVallee, Steven
Lebell, Rory
LeCouillard, Brenda
Lemieux, Kimberly
Leon, Luis
Leonard, John
Lindquist, Lori
Liske, Crystal
Lory, James
Ludwar, Judy
McDonald, Lenn
Macaulay, Gilbert
MacDonald, Darlene
Macleod, Kathleen
MacLeod, Mark
Marbach, Art
Macknak, Jenny
Marsden, Kimberley
Mattreck, Elizabeth
McCall, Joanne
McDowell, Russ
McEwen, Marilyn
McKay, Alexis
McKerricher, Trina
McLean, Debra
Medby, Le-Roy
Migdal, Cheryl
Millham, Debbie
Misakewicz, Dean
Mitchell, Jim
Moen, Dale
Mohr, Rob
Moore, Brett
Morrison, Marjorie
Newman, M. Joyce
Nichols, Doreen
Nolte, Wanda
Nostbakken, Ann
O'Byrne, Lorna
Olson, Bette
Otani, Madoka
Pacholik, Ida
Painter, Neil
Paisley, Scott
Peterson, Jeannette
Pierce, Pat
Pillipow Kautz, Leeann
Pluhowy, Susan
Poorman, Gloria
Ramsay, Tara
Redman, Nicole
Richards, Melanie
Rincker, Caroline
Roberts, J.D.
Roddy, Colleen
Saunderson, Kevin
Sayer, Leona
Schmalenberg, Dawn
Schroeder, Nadine
Schwartz, Donna
Schwartz, Georgia
Schwartz, Tonya Lee
Schweitzer, Lillian
Secuur, Dave
Sehn, Noreen
Sharp, Scott
Solie, Kelly
Sprung, Cheryl
St. Amand, Matthew
Stacyszyn, Eugene
Stepaniuk, Peter
Stephaniuk, Margaret
Stewart, David
Stopanski, Belinda
Stusek, Jeff
Tam, Fang
Tamaki, Tracy
Taylor, Kathy
Thorburn, Mary Anne
Tomos, Donna
Tomporowski, Duane
Trzaskowski, Delee
Tse, Stanley
Tuchscherer, Rod
Ubell, Irene
VanBeselaere, Karen
VanBeselaere, Lorie
Varga, Dwayne
Vindevoghel, Alfred
Vindevoghel, Lisa
Wallace, Barbara
Wallace, Vickie
Walsh, Doug
Watson, Deana
Weber, Dawn
Weeres, Allison
Weiss, Joanne
Welder, Troy
Wiese, Angela
Wihlidal, Denise
Wilby, Janice
Wilson, Jarot
Wolfe, Maureen
Wolfe, Natalie
Woloshin, Carla
Wood, Bill
Wright, Barb
Wright, Nanci
Yannoulis, Michael
Yano, Denise
Yauck, Tania

Information Services Corporation
OF SASKATCHEWAN

Head Office
300 – 10 Research Drive
Regina, SK S4S 7J7 Canada
Telephone: (306) 787-8179
www.isc.ca

The Battlefords Customer Service Centre
#6 – 11204 Railway Avenue East, North Battleford S9A 2R7
Telephone: (306) 446-7900
Fax: (306) 446-7949

Humboldt Customer Service Centre
Bay 15, Geschaft Centre
Box 3805
1709-8th Avenue, Humboldt S0K 2A0
Telephone: (306) 682-6782
Fax: (306) 682-6789

Moose Jaw Customer Service Centre
903 Main Street North, Moose Jaw S6H 0W9
Telephone: (306) 694-3534
Fax: (306) 694-3533

Prince Albert Customer Service Centre
Centre Bay #2, 2860-2nd Avenue West, Prince Albert S6V 5Z4
Telephone: (306) 953-3590
Fax: (306) 953-3597

Saskatoon Customer Service Centre
102-2100 Airport Drive, Saskatoon S7L 6M6
Telephone: (306) 964-1250
Fax: (306) 964-1265

Swift Current Customer Service Centre
#3 – 1061 Central Avenue North, Swift Current S9H 4G3
Telephone: (306) 778-8311
Fax: (306) 778-8417

Yorkton Customer Service Centre
Bay #1 – 385 Broadway Street E., Yorkton S3N 2Y4
Telephone: (306) 786-1557
Fax: (306) 786-1565

Regina Customer Service Centre
1301-1st Avenue, Regina S4R 8H2
Telephone: (306) 798-0641
Fax: (306) 787-1451
Packet Fax: (306) 798-1525

Vision

We will be the leader in business excellence in all that we do. Our success will be driven by our people's passion and their spirit for innovation. Together, we will build prosperity in our communities, our province, and our country.

ISC: Making a Difference

Mission

Building on over a century of trusted service, ISC provides quality, valued registration and Geomatics services for our customers, and a healthy and rewarding workplace for our people.

We strive to maximize shareholder value and balance our business requirements with public policy objectives.

Our Promise

Everyday, we will make a difference.

Our Values

The heart and soul of our company is defined by our values:

Integrity

We treat our customers, stakeholders, and each other with integrity at all times, with respect in our actions, and honesty and openness in our communication. We walk the talk.

Excellence

We provide quality service and products to our customers and stakeholders in a professional, accurate, and timely manner that will exceed their expectations. Our quest for excellence is unwavering.

Customer Focus

We are reliable and responsive in the delivery of our service, and innovative and creative in meeting each of our customer's needs.

We pursue partnerships with organizations that will ensure we deliver the highest value for our customers.

Accountability

We are accountable to our customers, stakeholders, shareholder, and each other for our work, our actions, and the services we provide.

Commitment to People

We bring out the best in each other, recognizing our diversity, our commitment to ISC, and each of our skills and capabilities.

We contribute to a healthy work environment that includes the reinforcement and promotion of mental health, and physical and social well-being. We are healthy, positive, open-minded.

Leadership

We never lose sight of the ever-changing world that we live in and will contribute to its improvement. We dare to dream. We will be a leader of change.

Information Services Corporation of Saskatchewan